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FBIS-EAS-96-046

Thursday

7 March 1996

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March 1996

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Daily Report

East Asia

FBIS-EAS-96-046

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Philippines' Ramos Briefs Asian, European Leaders on APEC

*BK0603032696 Manila PNA in English
0717 GMT 5 Mar 96*

[Received via Internet]

[FBIS Transcribed Text] Bangkok, March 1 (PNA) - President Ramos today briefed European and Asian leaders on the preparations undertaken by the Philippines in hosting the Asia-Pacific Economic Cooperation (APEC) leaders' meeting in November this year.

Speaking as the 1996 APEC chairman, the president told the 24 leaders attending the first Asia-Europe Meeting (ASEM) here that the Philippine approach will focus on the small, medium enterprises (SMEs) because these will benefit directly to the ordinary people.

The president explained that this is being emphasized because the big companies can take care of themselves in terms of information, data gathering and financial resources. Foreign Affairs Undersecretary Rodolfo Severino said in a briefing to Filipino and foreign journalists covering the ASEM.

It is the small and medium business enterprises that need to be helped and exposed to economic interaction, the president said.

He offered the APEC Center for Technology Exchange and Training for SMEs located in Laguna, Philippines for European participation.

The challenge to Europe and Asia is to be active in forums where those most willing to liberalize faster can do so to exert influence for others to follow suit.

This means "we are getting away from these methods of trading concessions but encouraging one another to make unilateral concessions and thus applies some kind of pure pressures on the others and we can see this working in APEC," the president said.

Mr. Ramos is one of the 25 world leaders participating in the Bangkok conference designed to promote further trade between Asia and Europe.

He also explained the context of the so-called the five "Ds," namely, devolution, decentralization, deregulation, democratization and development that is sustainable.

The president also stressed the importance of food security, the question of population and people empowerment.

Recalling historical antecedents, the president said that the triangular relationship between America, Europe and the Philippines dated back to the Manila-Mexico galleon trade which also involved goods in China and Europe.

The President also stated that the APEC's gathering is to build a community of economies in Asia-Pacific by bringing down barriers and opening borders.

The Manila Action Plan for the Asia-Pacific for 1996 will provide APEC the guide for trade and investment liberalization by year 2010 for developed member-nations and 2020 for developing members as agreed upon in Bogor in 1994.

The president said the Philippines is taking unilateral action toward the opening of the economy so that by 2003 there will be a single tariff of at most five percent.

ASEAN's experienced in Asean Free Trade Agreement (AFTA) is shared with ASEM, he said.

At the same time, the president discussed about the desirability of APEC and the European Union (EU) operating in trade and investment facilitation, including non-tariff measures and investments.

Japan

Tokyo Refutes USTR Claim on Computer Procurement

OW0703112996 Tokyo NIHON KEIZAI SHIMBUN in Japanese 7 Mar 96 Morning Edition p 5

[FBIS Translated Text] The U.S. Trade Representative's Office (USTR) has recently complained "Japanese government agencies are lagging in their purchase of foreign-made personal computers, setting tender prices too low." In response to this, the Japanese Government stressed "tender procedures are carried out according to the Japan-U.S. agreement on government procurement, and there is no problem in the procedure" (as noted by the Ministry of Foreign Affairs [MOFA]). While the government has started surveying tenders invited by each agency, the value of tenders is set by the tenderer. It would be difficult to narrow the gap between Japan and the United States in this field.

The United States has recently criticized prices of personal computers procured by central government agencies. In a lease contract concluded between MOFA and a Japanese computer manufacturer, the monthly charge was set at 1,200 yen per unit. A lease company noted this pricing is "much lower than levels of usual lease contracts in the private sector"; however, the Ministry of International Trade and Industry views "the appropriateness of the lease value cannot be discussed simply by the charge per unit because the per unit pricing often varies depending on the total quantity of procurement contracts."

Rather, the Japanese Government is questioning the stance of the USTR. The MOFA computer contract was secured through competition among three Japanese computer manufacturers, and foreign companies did not even respond to the invitation for tender. A senior MOFA official counterargued to the USTR claim, saying: "Although it would be excusable if they lost in the tender because of unfair procedures, they should not blame us even without making a bid."

Tokyo To Seek Private-Sector Solution to Chip 'Standoff'

OW0703132396 Tokyo KYODO in English 1257 GMT 7 Mar 96

[FBIS Transcribed Text] Tokyo, March 7 KYODO — Japan will seek to resolve a standoff with the United States over a bilateral semiconductor agreement by proposing the promotion of private-sector partnerships, trade ministry sources said Thursday [7 March].

Washington is demanding renewal of the pact, which is due to expire at the end of July, saying it has

successfully improved foreign access to the Japanese chip market.

Tokyo, on the other hand, argues no renewal is necessary since the accord has served its purpose. The agreement calls for the market share of foreign chips to steadily increase above 20 percent. Foreign chips are now estimated to make up some 27 percent of the market.

Japan instead will propose that the two nation's private sectors deepen mutual ties on research and development and other fronts, sources at the Ministry of International Trade and Industry (MITI) said.

The proposal requires the two governments to establish an interpretation of the Japanese and U.S. antitrust laws which will head off suspicions that such private-sector partnerships are an international cartel, the sources said.

The U.S. argues the proposal still requires a government-to-government agreement to exempt such partnerships from restrictions on international cartels, they said.

Ira Shapiro, senior counsel in the office of the U.S. Trade Representative, sounded out a senior trade ministry official about the possibility of renewing the semiconductor pact but without numerical targets when he came to Japan last month.

The Japanese official insisted that not only the numerical goal but government intervention itself is unnecessary in the current microchip industry environment, although he did tell the U.S. side that Japan would agree to hold talks on the pact.

The semiconductor pact is one of four trade issues where the U.S. wants to see progress made before President Bill Clinton visits Japan in mid-April. The other three are photographic film, insurance and cargo aviation.

The issue could also be taken up in late April, when MITI Minister Shumpei Tsukahara is expected to meet with U.S. Trade Representative Mickey Kantor during a quadrilateral meeting of Japanese, U.S., Canadian and European Union trade chiefs in Kobe, western Japan, in July.

Vice MITI Minister Tomio Tsutsumi told the press earlier in the day that Japanese and U.S. trade officials could informally exchange views on the pact when they meet in Brussels on Monday for trilateral semiconductor talks with the European Union.

"We will explain the Japanese stance (that the accord is unnecessary) at every occasion available," Tsutsumi said.

Japan: Article Views U.S. Semiconductor Makers
OW0703080296 Tokyo NIHON KEIZAI SHIMBUN
in Japanese 6 Mar 96 Morning Edition p 11

[FBIS Translated Text] "Semiconductor makers of the United States should try more seriously to do their business in Japan." A seminar on business negotiations aimed at promoting the access of foreign semiconductors to the Japanese market was held in Tokyo on 5 March. This was what Keiya Toyonaga, chairman of the Users' Committee of Foreign-Made Semiconductors (UCOM) under the Electronic Industries Association of Japan (EIAJ), said in his greeting remarks to indicate his understanding that U.S.-affiliated companies still lack in their efforts to make advance into the Japanese market.

Moreover, Chairman Toyonaga stated: "It is regrettable that few small-and medium-sized U.S.-affiliated makers have participated in the current seminar."

He also stated in sarcasm: "The U.S. Government argues that the current Japan-U.S. Semiconductor Agreement, which will expire in late July, should be extended. However, prior to making this demand, it should encourage more small- and medium-sized makers to take a positive part in business negotiations." Concerning the agreement, he stressed that "the notorious agreement is unnecessary."

Director James McKean [name as transliterated] of the Japan Office of the Semiconductor Industry Association (SIA) of the United States stated his greetings after Toyonaga. In dodging Toyonaga's criticism, he said: "I will inform our people at home of what Chairman Toyonaga has pointed out. However, to maintain cooperative relations between the Japanese and U.S. industrial circles, it is essential to have this agreement."

Japan: Court Hands U.S. Servicemen Prison Terms for Rape

OW0703015096 Tokyo KYODO in English
0139 GMT 7 Mar 96

[FBIS Transcribed Text] Naha, Japan, March 7 KYODO — Three U.S. servicemen received prison sentences of seven years to six and half years on Thursday [7 March] from the Naha district court for the abduction and rape of a local schoolgirl last fall in an incident that shook the foundations of the Japan-U.S. security agreement.

Presiding Judge Shinei Nagamine sentenced U.S. Navy Seaman Marcus Gill, 23, and Marine PFC. Rodrico Harp, 22, to seven years in prison, while U.S. Marine PFC. Kendrick Ledet, 21, received six and half years in prison for the rape of the primary schoolgirl.

Gill had pleaded guilty to the abduction and rape of the girl last Sept. 4, but Ledet and Harp said they did

not rape the victim, but made it appear they raped the girl because they feared Gill. The two marines admitted taking part in the abduction.

Prosecutors had demanded 10-year prison terms for the three, calling the crime unprecedented in its viciousness.

The incident ignited a firestorm of outrage among the residents of Okinawa against the huge U.S. military presence in the tiny island prefecture and what they see as the frequent occurrence of violent crimes committed by U.S. military services members stationed there.

Some 85,000 Okinawa residents rallied in October demanding the reduction or elimination of the U.S. military presence in Okinawa where slightly more than 28,000 of the 47,000 U.S. troops stationed in Japan are posted.

About 75 percent of all the land space used for U.S. military bases in Japan is located in Okinawa. The bases take up some 20 percent of the prefecture's land space, which accounts for less than 1 percent of the land space in the entire archipelago.

Opponents of the U.S. military presence also called for a revision of the agreement governing the status of U.S. troops in Japan suspected to have committed a crime.

Under the 1960 agreement, U.S. service personnel taken into custody by U.S. authorities are held by the U.S. side until an indictment is received from Japanese prosecutors. The suspects are then handed over to Japanese authorities.

Because of the rallies against the U.S. bases and the lingering resentment against U.S. troops, family members of the defendants attempted to have the trial moved out of Okinawa with appeals to the Fukuoka high court and Supreme Court, delaying the court's proceedings by about a month.

"The crime was brutal, ignoring the victim's individuality and specially vicious compared with similar cases," the presiding judge said in the ruling.

The incident struck terror into the hearts of the local people, the presiding judge said.

But he said he delivered a lighter sentence to Ledet, who claimed to have stopped short of raping the girl after realizing how young she was.

The judge rejected harp's claim that he did not rape her.

Some 320 people formed a line in a park outside the court prior to the commencement of proceedings in hopes of gaining one of the 30 seats available to spectators.

It was the largest number of people wanting to attend a trial in the district court's history.

The U.S. Embassy in Tokyo said in a statement that the sentence "reflects the results of the Japanese judicial process, regarding the reprehensible crime that took place on Sept. 4, 1995."

"The incident has been a tragic ordeal for all concerned," the statement said.

It further said that the embassy "will neither comment on nor characterize the court's ruling, and do not wish to prejudice any future legal actions the defendants may take."

The statement said a U.S. military observer present at the court sessions "reported no problems regarding the proceedings that were contrary to basic American or Japanese judicial guarantees."

The defendants have so far paid the family of the raped girl a total of 900,000 yen and have indicated they are willing to pay a further 600,000 yen, but the girl's family has refused to accept this.

During sentencing by presiding judge Nagamine, the three servicemen stood to attention side by side.

Once the sentencing was over, they quietly resumed their seats to listen to the court's reasons for the sentences.

Hiroko Takaesu, 48, a teacher at a vocational college who participated in the ballot for the limited number of spectator seats, said that even if the servicemen had received the 10-year sentences requested by the prosecution, the pain experienced by the victim and her family would never heal.

Chief Cabinet Secretary Seiroku Kajiyama, the top government spokesman, said the Japanese Government is doing its best to resolve the U.S. base problem in Okinawa, conferring with Okinawa Prefecture and the U.S.

Kajiyama, who declined to directly comment on Thursday's ruling, said the rape has focused public attention on the Okinawa base issue.

Commenting on the ruling, Okinawa Gov. Masahide Ota said at a press conference that he will make every effort to prevent a recurrence of such an incident as the rape of the schoolgirl.

Ota, however, refused to comment on the sentences given to the U.S. servicemen.

He reiterated the need to revise the bilateral agreement on the legal status of the U.S. Forces stationed in Japan, which has been spotlighted since the rape occurred.

Japan: More on U.S. Servicemen's Jail Terms in Rape Case

OV0703105296 Tokyo KYODO in English
0840 GMT 7 Mar 96

[FBIS Transcribed Text] Naha, Japan, March 7 KYODO — The Naha District Court sentenced two U.S. servicemen Thursday [7 March] to seven years in prison, and another to six and a half years, for the abduction and rape of a 12-year-old local schoolgirl in Okinawa prefecture last fall.

Presiding Judge Shinei Nagamine sentenced Navy Seaman Marcus Gill, 23, and Marine PFC. Rodrico Harp, 22, to seven years, citing the violence they inflicted on the girl during the Sept. 4 rape.

Marine PFC. Kendrick Ledet, 21, was given the lighter sentence.

Prosecutors had demanded 10-year prison terms for the crime.

Nagamine ruled that the rape was a "brutal, arrogant act that ignored the human rights of the victim."

He said Gill "inflicted violence on the girl so that she would not resist the rape, while Harp hit the girl in the face.

The judge said Ledet attempted to rape the girl, but stopped when he realized how young the victim was.

U.S. lawyer Michael Griffith, representing the families of Harp and Ledet, said the two families will meet with appellate counsel in Japan on Friday to begin the appeal process.

Lawyer Eric Ross, representing Gill's family, indicated that they were also considering an appeal because of what he and Griffith saw as "serious violations" of Japanese and U.S. Constitutional law and suggesting that the confessions of the men were coerced.

They added they were "very disappointed" that the Japanese defense lawyers made no motions to suppress the confessions of the defendants and conducted no investigation into the validity of the evidence.

The servicemen have 15 days to appeal the sentences to a higher court.

Presiding Judge Nagamine remarked that the rape was "especially cruel" in comparison to incidents in the past, adding that it "spread fear throughout the community."

The court rejected Harp's contention that his confession taken by U.S. military authorities was coerced.

However, the judge said the three defendants have shown remorse and apologies for the crime and can rehabilitate themselves.

Nagamine said the three-judge panel believed that the investigation by U.S. authorities was conducted with care and that Harp's charge that it was forced "cannot be believed."

Gill had pleaded guilty to the abduction and rape of the girl. Ledet and Harp said they did not rape the victim, but pretended they had because they feared Gill. The two Marines admitted taking part in the abduction.

The defendants have so far paid the family of the raped girl a total of 900,000 yen and have indicated they are willing to pay a further 600,000 yen, but the girl's family has refused to accept this.

During sentencing by Nagamine, the three servicemen stood at attention side by side.

Once the sentencing was over, they quietly resumed their seats to listen to the court's reasons for the sentences.

Some 320 people formed a line in a park outside the court prior to the commencement of proceedings in hopes of gaining one of the 30 seats available to spectators.

It was the largest number of people wanting to attend a trial in the district court's history.

Hiroko Takaesu, 48, a teacher at a vocational college who participated in the ballot for the limited number of spectator seats, said that even if the servicemen had received the 10-year sentences requested by the prosecution, the pain experienced by the victim and her family would never heal.

Ledet's mother, Barbara Cannon, apologized to the victim, but added that she was "very upset" by the verdict because "I don't think it was fair."

Darryl Johnson, president of the Okinawa Chapter of the U.S.-based National Association for the Advancement of Colored People (NAACP), said he was concerned that a Japanese citizen accused of a similar crime would have received a lighter sentence.

"I do feel the government interests in this case, relating to the reduction of military forces here, has had a bearing on the verdict. I would have felt better if the trial had been removed from Okinawa," Johnson said.

He remarked that the sentence was unfortunate since the African-American personnel with the U.S. forces in Okinawa have been working hard at improving their image within the Okinawan community.

The incident ignited outrage among the residents of Okinawa against the huge U.S. military presence in the tiny island prefecture and what they see as the frequent occurrence of violent crimes committed by members of the U.S. forces stationed in Okinawa.

Some 85,000 Okinawa residents rallied in October demanding the reduction or elimination of the U.S. military presence in Okinawa, where slightly more than 28,000 of the 47,000 U.S. troops stationed in Japan are posted.

About 75 percent of all the land space used for U.S. military bases in Japan is located in Okinawa and take up some 20 percent of the prefecture's total area, which makes up less than 1 percent of the land space in the entire Japanese archipelago.

Opponents of the U.S. military presence also called for a revision of the agreement governing the status of U.S. troops in Japan.

Under the 1960 agreement, U.S. service personnel taken into custody by U.S. authorities were held by the U.S. side until an indictment was received from Japanese prosecutors. The suspects were then handed over to Japanese authorities.

But last October, the United States agreed to changes in the procedures to enable U.S. military personnel suspected of committing "heinous crimes of murder or rape" in Japan to be turned over to the Japanese side before Japanese prosecutors make a formal indictment.

Because of the rallies against the U.S. bases and the lingering resentment against the U.S. troops, relatives of the defendants attempted to have the trial moved out of Okinawa with appeals to the Fukuoka High Court and Supreme Court. The appeals delayed the court's proceedings by about a month.

Japan: Further on Sentencing of U.S. Servicemen

OW0702052596 Tokyo KYODO in English
0506 GMT 7 Mar 96

[FBIS Transcribed Text] Naha, Japan, March 7 KYODO — The Naha district court sentenced two U.S. Servicemen Thursday [7 March] to seven years in prison, and another to six and a half years, for the abduction and rape of an Okinawa schoolgirl last fall.

Presiding judge Shinei Nagamine sentenced Navy Seaman Marcus Gill, 23, and Marine PFC. Rodrico Harp, 22, to seven years for the violence they inflicted on the 12-year-old girl during the Sept. 4 rape, while Marine PFC. Kendrick Ledet, 21, was given the lighter sentence.

Prosecutors had demanded 10-year prison terms for the crime.

The servicemen have 15 days to appeal the sentences to a higher court.

Nagamine ruled that the rape was a "brutal, arrogant act that ignored the human rights of the victim." He explained that Gill "inflicted violence" on the girl so that she would not resist the rape, while Harp hit the girl in the face.

The judge said Ledet attempted to have sex with the girl, but stopped when he realized how young the victim was.

Nagamine also remarked that the rape was "especially cruel" in comparison to similar cases in the past, adding that it "spread terror throughout the local community."

The court rejected Harp's contention that his confession taken by U.S. military authorities were held by U.S. side until an indictment was received from Japanese prosecutors. The suspects were then handed over to Japanese authorities.

But last October, the United States agreed to changes in the procedures to enable U.S. military personnel suspected of committing "heinous crimes of murder or rape" in Japan to be turned over to the Japanese side before Japanese prosecutors make a formal indictment.

However, the judge said the three defendants have shown remorse and apologies for the crime and can rehabilitate themselves.

Nagamine said the three-judge panel has believed that the investigation by U.S. authorities was conducted with care and that Harp's charge that his confession was forced "cannot be believed."

Gill had pleaded guilty to the abduction and rape of the girl but Ledet and Harp said they did not rape the victim, but pretended they had raped her because they feared Gill. The two marines admitted taking part in the abduction.

The defendants have so far paid the family of the raped girl a total of 900,000 yen and have indicated they are willing to pay a further 600,000 yen, but the girl's family has refused to accept this.

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The incident ignited outrage among the residents of Okinawa against the huge U.S. military presence in the tiny island prefecture and what they see as the frequent occurrence of violent crimes committed by members of the U.S. services stationed there.

Some 85,000 Okinawa residents rallied in October demanding the reduction or elimination of the U.S. military presence in the prefecture, where slightly more than 28,000 of the 47,000 U.S. troops stationed in Japan are posted.

About 75 percent of all the land space used for U.S. military bases in Japan is located in Okinawa and takes up some 20 percent of the prefecture's area, which makes up less than 1 percent of the land space in the entire Japanese archipelago.

Opponents of the U.S. military presence also called for a revision of the agreement governing the status of U.S. troops in Japan, as it relates to those suspected to have committed a crime.

Under the 1960 agreement, U.S. service personnel taken into custody by U.S. authorities are held by the U.S. side until an indictment is received from Japanese prosecutors. The suspects are then handed over to Japanese authorities.

Because of the rallies against the U.S. bases and the lingering resentment against the U.S. troops, relatives

of the accused attempted to have the trial moved out of Okinawa with appeals to the Fukuoka high court and Supreme Court. The appeals delayed the court's proceedings by about a month.

Japan: Governor Ota Comments on U.S. Servicemen's Verdicts

OW0703042696 Naha NHK General Television
in Japanese 0315 GMT 7 Mar 96

[Announcer-read report; from "NHK Local News" program]

[FBIS Translated Text] In connection with the verdicts announced today, Governor Masahide Ota said that as far as the Okinawa prefectural government is concerned, every effort will be made to prevent similar incidents by continuing to work on both the Japanese and U.S. Governments to realign and reduce bases and to take action to prevent any damage involving bases.

[Begin Ota recording] It is the administration's most important duty to prevent such incidents. However, as so many bases are located in our neighborhood, and servicemen are allowed to go off-base at will during their spare hours, it is a headache beyond imagination for us to prevent criminal acts. And yet, as far as this atrocious crime is concerned, I am determined to take every possible measure and make every effort to prevent a repetition of this crime. [end recording]

Japan: U.S. Lawyers Plan Appeal Against Sentences in Rape Case

OW0703083796 Tokyo KYODO in English
0817 GMT 7 Mar 96

[FBIS Transcribed Text] Naha, Japan, March 7 KYODO — Two U.S. lawyers for the families of three convicted U.S. servicemen said Thursday [7 March] they plan to seek an "immediate appeal" against prison sentences imposed on them in the Naha District Court for the rape of a local schoolgirl.

Lawyers Michael Griffith and Eric Ross expressed disappointment with the performance of the Japanese defense lawyers and said the three defendants had had their constitutional and legal rights violated throughout the trial.

"We're meeting with appellate counsel tomorrow to get an appeal started," said Griffith, who represents the families of Marine PFC. Kendrick Ledet and Marine PFC. Rodrico Harp.

Harp was given imprisonment of seven years for the abduction and rape of a 12-year-old girl last September in Okinawa Prefecture, while Ledet was sentenced to six and a half years in jail for taking part in the abduction.

According to Thursday's ruling Ledet did not rape the victim.

Ross represents the family of Navy Seaman Marcus Gill, who was sentenced to seven years in prison for the abduction and rape.

Griffith said the lawyers' plan to seek an appeal includes the help of a former Fukuoka High Court Judge and a former member of the Okinawa District Public Prosecutors Office in pursuing an appeal. He did not name the former judge or prosecutor.

Griffith also called on the Diet and the Japan Federation of Bar Associations to change the substitute detention system in Japan under which suspects can be detained for up to 23 days for questioning by police without a lawyer present.

"We intend to show the world that this is a system that must be changed," Griffith said, charging that it is a violation of constitutional rights in Japan and the United States.

On earlier occasions, Griffith has charged that the system is used to elicit confessions from suspects in crimes, often the most important piece of evidence in a trial.

Japanese prosecutors indicted the three servicemen Sept. 29 and they were placed under Japanese custody the same day.

Prior to that date, they were in the custody of U.S. forces under the terms of the Status of Forces Agreement governing the operation of U.S. forces in Japan.

On Thursday, he called Japan's conviction rate of 99.99 percent "a joke to the civilized world" and noted that confessions are obtained in 95 percent of the criminal investigations in Japan.

"Are the Japanese police the most intelligent police in the world that they only arrest the guilty people?" he asked.

The lawyers said they were disappointed with the performance of the Japanese attorneys, who they charged did not prepare the defendants properly for the trial and filed no motions to have the confessions of the men suppressed or the trial moved away from Okinawa.

Griffith also criticized Okinawa Gov. Masahide Ota for "tainting" the trial by taking ads in U.S. newspapers demanding an end to the U.S. military presence in Okinawa and making it a "political football."

He further charged that prosecutors got caught up in Ota's campaign against the U.S. military bases in Okinawa, noting that Japanese prosecutors normally ask

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for a seven-year prison sentence in a rape case, but in this case they asked for 10 years.

Japan: Servicemen's Lawyers Consider Lawsuit Against U.S.

*OW0703105796 Tokyo KYODO in English
0958 GMT 7 Mar 96*

[FBIS Transcribed Text] Naha, Japan, March 7 KYODO — Two U.S. lawyers in Okinawa observing Thursday's [7 March] court decision in the rape trial of three U.S. servicemen are planning to bring a class action suit against the U.S. Government.

Michael Griffith and Eri Ross said the agreement under which the U.S. servicemen were apprehended, questioned and later handed over to Japanese police by U.S. military authorities is a violation of their rights as Americans.

U.S. Marine Privates First Class Rodrico Harp and Kendrick Ledet and U.S. Navy Seaman Marcus Gill were found guilty Thursday by the Naha District Court for the abduction and rape of a 12-year-old Okinawa schoolgirl last September.

The incident outraged Okinawa residents, who called for a reduction to the U.S. military presence in Okinawa and a revision of the portion of the Status of Forces Agreement that covers U.S. military personnel suspected of committing crimes in Japan.

Under the 1960 agreement, U.S. service personnel taken into custody by U.S. authorities are held by the U.S. side until an indictment has been received from Japanese prosecutors. The suspects are then handed over to Japanese authorities.

But last October, the United States agreed to changes in the procedures to enable U.S. military personnel in Japan suspected of the "heinous crimes of murder or rape" to be turned over to the Japanese side before Japanese prosecutors made a formal indictment.

Griffith told KYODO news, however, that the agreement is "violative" of U.S. federal law prohibiting U.S. citizens from being held by a foreign government "in violation of their rights of American citizenship."

He argued that the suspects were held illegally under the agreement and that their confessions were coerced.

Griffith's plans for a class action suit against the U.S. Government cover those U.S. military personnel who have been similarly convicted in Japanese courts, who then suffer the stigma of being dishonorably discharged from the U.S. military.

He alleges that the legal procedures in Japan are questionable.

The New York-based lawyer said that he has informed the U.S. Marine Corps that U.S. military authorities violated the rights of the three servicemen in the initial investigation by holding them illegally and not bringing them before a judge.

"Although these men were being held in a U.S. brig, they were being ping-ponged back and forth between the U.S. military authorities and Japanese police, who questioned them for 8-10 hours a day for 18 days," said Griffith.

He argued that the U.S. military is merely serving as an "agent" for the Japanese police. He added that in this case the defendants are under the control of the Japanese police and should be brought before a judge as required by Japanese law.

With some Japanese demanding revisions to the Status of Forces Agreement to have criminal suspects handed over to Japanese police immediately, the former chief liaison prosecutor in Okinawa has said that U.S. officials should be cautious about changing the agreement.

Toshimitsu Takaesu wrote to Griffith and said that because of the differences in the two judicial systems, U.S. officials negotiating an amendment to the bilateral agreement should be warned "against including a provision that would relinquish all legal authority over U.S. military criminal suspects to the Japanese Government."

Tokyo, U.S. Agree To Seal Noise Cut Pact on Okinawa

*OW0703111796 Tokyo KYODO in English
0852 GMT 7 Mar 96*

[FBIS Transcribed Text] Tokyo, March 7 KYODO — Japan and the United States basically agreed Thursday [7 March] to seal a bilateral agreement possibly in mid-March to reduce noise from U.S. military bases in Okinawa Prefecture, a Foreign Ministry official said.

The two sides reached the accord in the fourth working-level meeting of a special Japan-U.S. panel on U.S. bases in the southernmost island prefecture, the official said.

The planned noise reduction pact would introduce a set of restrictions for at Kadena and Futenma bases similar to those applied to Yokota and Atsugi bases near Tokyo.

At Thursday's meeting, Japan and the U.S. also agreed on mandating license plates on all U.S. military vehicles, with specifics left to further discussion, the official said.

Opposition to the heavy presence of U.S. forces in Japan intensified after the abduction and rape of a local schoolgirl in Okinawa last September.

The Naha District Court on Thursday sentenced two American servicemen to seven years in prison and another to six and a half years for the crime.

Okinawa makes up only 0.6 percent of Japan's total land area but has about 75 percent of U.S. military facilities in Japan in terms of land space. Some 30,000 of the 47,000 U.S. troops in Japan are stationed in the southernmost island prefecture.

Japan: APEC Ministers Expected To Call for Stronger Dollar

OW0703114396 Tokyo KYODO in English
0857 GMT 7 Mar 96

[FBIS Transcribed Text] Tokyo, March 7 KYODO — Finance Ministers from the Asia-Pacific Economic Cooperation (APEC) forum are expected to call for the dollar's continued strength against the yen at their meeting in Kyoto on March 16-17, Japanese Finance Ministry sources said Thursday [7 March].

In a joint statement to be adopted by the ministers at the end of the Kyoto meeting, they are expected to welcome the dollar's recent strength against the yen, noting that the trend is in line with economic fundamentals, the sources said.

The ministers are expected to express hope for the dollar's continued strength and reaffirm that the 18 APEC members will cooperate for a stable currency market, they said.

For future tasks, the statement will call on APEC members to consider establishing a regional currency stabilization system, based on the model of aid in Mexico's peso crisis in late 1994, they said.

In the joint statement, the finance ministers are also expected to stress the importance of securing stable capital flows and improving capital market conditions to prevent a sudden withdrawal of foreign investment, they said.

At present, a large amount of foreign capital is flowing into Asian markets. As a result, an Asian nation could face sudden outflows of overseas capital if there is a currency market crisis in that country.

The sources also said Japan plans to express its readiness to set up an investment fund, with money mainly from Japanese private companies, to help cover fund demands for infrastructure projects in the region.

The cumulative amount of money necessary to finance infrastructure improvement projects in the region is estimated to total \$1 trillion by 2000.

Since it is difficult for public-sector funds alone to cover demand, APEC members are seeking to actively mobilize private-sector funds for the projects.

At the Kyoto meeting, APEC finance ministers will likely reaffirm that erratic movements on the currency market will adversely affect trade and investment, the sources said.

Many countries in the Asia-Pacific region have been borrowing yen-denominated loans from Japan.

If the value of the yen rises against the dollar, the amount of their debts will swell in terms of their currencies because they are almost always linked to the U.S. currency.

As a result, there are calls in the region for stable yen-dollar exchange rates, the sources said.

The dollar, which had slipped below 80 yen last April, staged a rally and recovered to the 100 yen level again in late 1995. Since the beginning of 1996, the dollar has been changing hands at around 105 yen.

Based on discussions at the Kyoto meeting, the APEC members will start considering concrete measures to establish a currency stabilization system for the region, the sources said.

As part of such efforts, Japan has recently agreed with monetary authorities in Hong Kong and Singapore that, if Japan requests them to do so, they will intervene in dollar-yen transactions in their markets.

Japan: Editorial Praises Outcome of First ASEM

OW0603133796 Tokyo MAINICHI SHIMBUN
in Japanese 4 Mar 96 Morning Edition p 5

[Editorial: "Asia and Europe Should Form Mature Partnership Through ASEM Talks"]

[FBIS Translated Text] The recent Asia-Europe Meeting (ASEM) in Bangkok went smoothly despite the fact that it was the first such meeting. Ending the two-day summit, European and Asian leaders issued a statement, in which they pledged to continue political, economic, and security talks.

The summit did not produce any concrete accords that directly lead to the conclusion of treaties or pacts. However, the meeting was significant in that the leaders had frank and candid discussions without a scenario prepared in advance by bureaucrats and opened dialogue for the future between Asia and Europe.

There are forums for talks between the United States and Europe and between the United States and Asia, but not between Asia, Europe, and the United States. With the

birth of ASEM, a framework for dialogue between the three circles has finally been formed. In this regard, the Bangkok meeting added a new page to the final chapter of the history of the 20th century.

Looking back on post-Cold War days, one cannot deny that the United States has become domineering as the sole remaining superpower since the Soviet Union's demise. So enamored with the ideals of freedom and democracy, the United States tends to impose its values on other countries. Its thinking that "justice is power" and self-esteem tend to lead the country to carry out high-handed diplomacy with the idea that "power is justice."

The world is diverse and the United States is just one part of it. If Asia and Europe form a mature partnership through ASEM talks, it would help elevate the international community to a level where multiplicity and equilibrium are more respected.

Though indirectly, the Bangkok meeting also indicated that regional confederations that go beyond the framework of nation states have increasingly become important in the international community.

The Europeans attended the ASEM as European Union (EU) members, while the Asians were led by the seven-nation Association of Southeast Asian Nations (ASEAN), which took the initiative in realizing the ASEM summit.

It appears that the EU positively responded to ASEAN's call for holding the ASEM because it hoped to strengthen economic ties with rapidly growing Asia and because there was mutual affinity between them as similar regional confederations.

As a harbinger of a regional confederation, the EU can provide ASEAN with various kinds of expertise. Meanwhile, learning from the EU's experience, ASEAN hopes to strengthen its internal unity and external influence to gain an equal footing with the United States, China, Japan, and India.

Over the next 20-30 years, the EU will very likely expand to encompass eastern Europe and establish a "Euro" unified currency that will be strong enough to compete against the dollar. By then, ASEAN will include Burma and Cambodia in its membership and attain a higher level of maturity.

The United States has concluded the North America Free Trade Agreement (NAFTA) with Canada and Mexico. In contrast, Japan, China, and South Korea have not participated in any regional confederations, except for the Asia-Pacific Economic Cooperation forum (APEC).

Japan has not yet decided on its future course. It has neither decided whether it should continue the present lone voyage toward the 21st century nor if it should join a convoy by forging with other countries a regional economic cooperation confederation similar to the East Asia Economic Caucus (EAEC) proposed by Malaysian Prime Minister Mahathir Mohamad.

ASEM's birth gives Japan an opportunity to seriously contemplate its future.

Japan: Official Renews Call for PRC 'Self-Restraint'

*OW0603125296 Tokyo KYODO in English
1222 GMT 6 Mar 96*

[FBIS Transcribed Text] Tokyo, March 6 KYODO — Japan repeated a call Wednesday [6 March] for self-restraint by China in its policy toward Taiwan and seek a resolution of their current row in peaceful fashion.

The call was made in a brief meeting between Ryozo Kato, director general of the Foreign Ministry's [MOFA] Asian Affairs Bureau, and Zheng Xianglin, counselor at the Chinese embassy in Japan, a ministry official said.

The move came in response to China's reported plan to carry out a series of missile tests near Taiwan soon.

Zheng replied escalation of tensions between Beijing and Taipei can be traced to Taiwan's alleged move to declare independence from China, the official said. China sees Taiwan as a renegade province.

He also said the planned missile tests are part of China's "normal" efforts to defend the country, according to the official.

Japan: Airlines Rerouting Flights To Miss Missile Exercises

*OW0703101096 Hong Kong AFP in English
0839 GMT 7 Mar 96*

[FBIS Transcribed Text] Tokyo, March 7 (AFP) — One Japanese airline is to reroute flights during China's week-long missile exercises off Taiwan and others are making contingency plans, officials said.

Japan Asia Airway (JAA), a subsidiary of Japan Airline (JAL), said it had changed the route of its six-flight-a-week service between the southern Japanese city of Naha and Taipei.

The detour would lengthen the flight by between five and 10 minutes, so "it would not be a major change," a JAA spokesman said.

But a spokeswoman for JAL, Japan's biggest airline, said alternative routes had been worked out if necessary.

"If there is any danger, we will select detour routes to secure safety," the spokeswoman said. "According to information from Taiwan aviation authorities, we do not need to change the routes of our flights to Southeast Asia."

Airline and transport ministry officials said no other Japanese airlines had changed the routes of flights to Southeast Asia.

"Naturally, we inform crews of the situation. But we have no plans for now to change our flights because their routes are not included in the affected zones," said a spokesman for All Nippon Airways, the nation's second biggest airline.

Other than JAA, "I have not heard from carriers that their flights would be affected," a transport ministry official said.

Beijing has asked all aircraft and shipping to avoid two missile splash zones close to Taiwan during the exercise commencing Friday [8 March] and running until March 18.

China has considered Taiwan a renegade province since the Nationalists fled the mainland after the victory of the Communists in 1949.

On Wednesday, Japan summoned a Chinese diplomat to the foreign ministry to deliver Tokyo's concern over the planned missile exercises.

Japan: PRC Space Capsule Projected To Fall to Earth

*OW0703113096 Tokyo KYODO in English
1010 GMT 7 Mar 96*

[FBIS Transcribed Text] Tokyo, March 7 KYODO —
- An unmanned Chinese space capsule is projected to reenter the atmosphere and fall to earth around March 12 but it remains uncertain just where it will hit, government officials said Thursday [7 March].

The Science and Technology Agency and the Foreign Ministry are collecting information necessary to try to pinpoint where the capsule might fall, the officials said.

The capsule was separated from a satellite called the FSW1 launched by a Chinese rocket Oct. 8, 1993, but began spinning out of control upon separation, they said.

The capsule weighs about 1 ton and is roughly the same size as a passenger car, they said. It will not burn up during reentry because it was designed to withstand the process.

The satellite launched with the capsule was scheduled to be put into orbit to conduct experiments on weightlessness, but it fell into the Pacific 21 days after its launch, the officials said.

China was slated to recover the capsule but could not do so because of the failed orbit control, they said.

According to the U.S. National Aeronautics and Space Administration (NASA), the capsule is likely to reenter the atmosphere in an area above waters south of Australia around 10:25 A.M. Japan time March 12, with a possible error of four days.

NASA estimates reentry coordinates at around 54 degrees south latitude and 117 degrees east longitude.

Scientists say it is difficult to predict just where the capsule will fall since it depends on the capsule's shape and the degree of angle at which it will reenter the atmosphere.

Japan: Editorial Views Problems in Bilateral Ties With ROK

*OW0703022396 Tokyo ASAHI SHIMBUN
in Japanese 4 Mar 96 Morning Edition p 5*

[FBIS Translated Text] The photograph shows the horizon aglow with the sunrise. Prime Minister Ryutaro Hashimoto, who is a keen photographer, presented the picture to ROK President Kim Yong-sam at the start of the Japan-ROK summit talks.

It is to be hoped that relations between Japan and the ROK will glow like the horizon at sunrise. However, ties between the two are not that simple. The meeting of the two top leaders, held in conjunction with the Asia-Europe Meeting in Bangkok, had been arranged just before Hashimoto's departure, and in a perilous atmosphere over the issue of the Takeshima Islets (known as Tokto in Korean).

Still, it was fortunate that the a good opportunity was taken and the talks were held, despite the unhappy situation. We are pleased the opportunity was not spurned and that an accord was reached on starting talks on drawing up economic zones and fishing rights, aside from the issue of sovereignty over the Takeshima Islets.

Japan and the ROK are far apart on their approach to the issue. In the belief that the islets were occupied by Japan in the course of Japan's annexation of the Korean peninsula, the ROK emphatically maintains its claim to the islets is not negotiable. On the other hand, many Japanese, who do not care much about the issue, are simply bewildered by news reports from the ROK about various actions taken to "defend" the islets "to the last."

In his meeting with Prime Minister Hashimoto, President Kim declared South Korea's "effective control" of the islets; stated his position in terms of history and legality; and emphasized that there was no room for South Korea to yield. Having consistently taken a hard line toward Japan in the campaign for the April election, President Kim may have achieved his purpose. And he seems now to have changed to a more pragmatic approach, considering the need for the ROK and Japan to be in accord on the issue of North Korea.

Meanwhile, Hashimoto did not back down from the "position the Japanese Government has held." However, he assumed a relatively conciliatory attitude in choosing not to complain about a series of actions taken by the ROK. He may well have felt the Takeshima issue could not have been dealt with otherwise. His moderation should be commended.

Still, the prime minister's approach did leave something to be desired. He should have restated Japan's position more clearly, to the effect that "Japan's claim to Takeshima and the annexation of the Korean peninsula are two totally different issues," and that "Japan has not the slightest intention at all of justifying its colonial rule of Korea, despite its claim to Takeshima."

Among recent Japanese prime ministers, Morihiro Hosokawa and Tomiichi Murayama spoke clearly about their perceptions of the history of Japan's relations with its neighbors, favorably impressing the South Koreans. But those prime ministers have left the stage in quick succession and the South Koreans are not entirely pleased that the Liberal Democratic Party, which has tended to be reluctant to take a clear view of history, has taken over the premiership.

Having been regarded warily in South Korea until quite recently for his role as president of the Japanese Association of War-Bereaved Families, Prime Minister Hashimoto must try harder than the others to overcome misunderstandings among the South Koreans.

We strongly urge political leaders in both Japan and the ROK to exercise self-restraint and not overreact on the Takeshima issue any more. While popular sentiment has already been aroused in South Korea and in Japan as well, some members of the New Frontier Party have conducted a petition drive on the island issue, which has further inflamed popular sentiment in the ROK.

What the two purportedly "future-oriented" countries will have to guard against is the possibility that this vicious cycle will foster a new narrow-minded nationalism.

Apart from the Takeshima islets, there are numerous other issues that could provoke confrontation. While

South Koreans are wary about developments in Japan's relationship with North Korea, the Japanese, who hope for stability in South Korea, have been not a little perplexed at the successive arrests of former South Korean presidents.

And those concerned with sports activities in the two countries have entered the final stage in their competition to host the soccer World Cup in 2002, for which the venue is to be decided in June. If Japan is chosen as the host, anti-Japanese sentiment will surely flare up and spread across South Korea.

In the circumstances, it is all the more necessary that the political leaders have calm dialogue. The discussion held in Bangkok is but one step to that end.

Japan: Diet Panel Postpones Voting on Budget Again

*OW0603142296 Tokyo KYODO in English
1346 GMT 6 Mar 96*

[FBIS Transcribed Text] Tokyo, March 6 KYODO —
- The House of Representatives Wednesday [6 March] again postponed voting on the fiscal 1996 budget as the opposition refused to end its three-day-old blockade of the budget committee chamber.

Heads of Diet affairs committees of the three ruling parties — the Liberal Democratic Party (LDP), the Social Democratic Party (SDP) and New Party Sakigake [Harbinger] — and the main opposition party, Shinshinto (New Frontier Party), met twice in the afternoon without reaching an accord.

They will reconvene the meeting the following day, meaning the voting has been put off until Thursday or later.

Finance Minister Wataru Kubo told a press meeting Wednesday evening that the coalition should not force through the Diet the draft budget after a meeting with Prime Minister Ryutaro Hashimoto.

Kubo indicated he advised Hashimoto to refrain from enforcing a diet vote on the fiscal 1996 budget and to compile a provisional budget if Diet approval of the full budget is delayed.

Lower House Speaker Takako Doi told Budget Committee Chairman Kosuke Uehara and other panel members in the evening she will consider ways to break the parliamentary impasse, coalition officials said.

Doi was quoted as saying, "I do not condone this situation and I have advised some Shinshinto members on the matter. Let me think it over again."

Uehara and other panel members urged Doi to warn Shinshinto in clearer terms to put Diet business back to normal.

On Tuesday, Doi asked Uehara to resolve the deadlock through dialogue, saying she does not want to mobilize parliamentary guards to remove the opposition members from the committee chamber entrances.

Shinshinto members have continued blockading the two entrances to the budget panel room, preventing the session from sitting since Monday morning, when the committee was expected to vote on the 75.1 trillion yen budget for fiscal 1996, beginning April 1.

The main opposition party stuck to its demand that the controversial 685 billion yen in taxpayers' money to be allocated for liquidating seven failed housing loan companies, known as "jusen," be removed from the budget, coalition and opposition officials said.

Shinshinto also rejected the ruling alliance's calls to lift the blockade, despite the three parties' proposal that they continue discussing the jusen issue at a new special lower house committee to be set up to legislate the liquidation scheme.

The ruling camp told Shinshinto the 685 billion yen allocation would not be spent until the proposed panel agrees on the legislation.

The opposition also pushed for its request for Diet testimony by LDP secretary general Koichi Kato, who is suspected of receiving a 10 million yen secret donation from a major debtor to one of the failed housing loan companies.

Kato, who denies taking the money, told reporters that he will abide by a decision to be made by the heads of the ruling and opposition parties' Diet affairs panels on the testimony issue.

In the morning, the secretaries general of the ruling parties and Shinshinto failed to reach an accord on the budget vote.

Wednesday was viewed by the coalition as the deadline for a lower house passage of the budget in order to avoid having to compile a stopgap budget.

Had the 1996 budget passed the lower house Wednesday, it would have become law automatically April 4, without going through the less powerful House of Councillors.

The ruling coalition agreed Tuesday to seek increased contributions from jusen founder banks and agricultural financial institutions — big jusen creditors — for the liquidation scheme in a bid to soften Shinshinto's

attitude and gain public support for the use of tax money.

The founder banks and farm institutions will be asked to restructure their organizations and streamline their management in order to generate 2.1-2.2 trillion yen in profit over seven years, with a total of about 680 billion yen going to the state in the form of corporate tax.

Japan: Hashimoto Appears 'Anxious' Over 'Jusen' Deadlock

OW0603134096 Tokyo MAINICHI SHIMBUN
in Japanese 5 Mar 96 Morning Edition p 2

[FBIS Translated Text] On 4 March, as coordination between the government and the ruling parties on such issues as increasing the financial burden of the founder banks of the jusen [housing loan companies] reached a critical stage, Prime Minister Ryutaro Hashimoto was on standby in his office at the Prime Minister's Official Residence because the New Frontier Party's [NFP] picket line prevented the House of Representatives Budget Committee from holding its meeting.

Faced with the greatest hurdle since the inauguration of his administration, the passage of the FY96 budget, the prime minister was evidently anxious.

Hashimoto, who had just come back from the Asia-Europe Meeting (ASEM) on the previous day, had to return to his official residence on the morning of 4 March after finding out that the Budget Committee would not be convened because of the NFP picket line. When reporters asked: "Do you think it [the budget] can be passed today?" Hashimoto seemed utterly helpless. He said: "I said I do not know and I mean it. You know very well I have not had time to be briefed." This was altogether different from his usual courteous treatment of the reporters on duty.

In great contrast, Chief Cabinet Secretary Seiroku Kajiyama seemed self-composed; he assumed the attitude of waiting to see what the Liberal Democratic Party [LDP] leadership, headed by Secretary General Koichi Kato and Chairman Taku Yamasaki of the Policy Research Council, would come up with. Due to his policy differences with Kato and the party leadership, and his resentment of criticisms against the prime minister's office taking the initiative, Kajiyama kept his distance from the LDP and took a wait-and-see approach at the Prime Minister's Official Residence on 4 March.

That evening, NFP lower house member Nobuaki Futami, who, like Kajiyama, represents a constituency in Ibaraki Prefecture, came to visit Kajiyama with a copy of signatures opposing the jusen liquidation scheme. Futami said: "All you have to do is delete them (the jusen

allocations)." Kajiyama shook hands with him and retorted: "Go back to the battle front and come up with an alternative plan." This episode seems to symbolize the lack of tension at the NFP picket line.

Japan: Kubo Says No Plan 'To Force' Budget Through Diet

*OW0603122596 Tokyo KYODO in English
1138 GMT 6 Mar 96*

[FBIS Transcribed Text] Tokyo, March 6 KYODO — Finance Minister Wataru Kubo said Wednesday [6 March] the ruling coalition should not force through the Diet the fiscal 1996 budget plan that earmarks spending for the liquidation of ailing mortgage companies or "jusen."

"I currently have no intention to ask the ruling coalition parties to force a Diet vote (on the budget plan)," Kubo said at a press conference.

"If necessary, the government could compile a provisional budget," he said.

The fiscal 1996 budget plan includes 685 billion yen to wind up the seven failed mortgage companies, outlays coming under strong public criticism.

The three-party ruling coalition is seeking to pass the fiscal 1996 budget plan through the House of Representatives this week.

The main opposition party Shinshinto (New Frontier Party) has been trying to reject any vote on the budget unless a provision to use 685 billion yen for the jusen liquidation scheme is removed.

Kubo, who met with Prime Minister Ryutaro Hashimoto earlier in the day, indicated he advised Hashimoto to refrain from enforcing a diet vote on the fiscal 1996 budget and to compile a provisional budget if Diet approval of the full budget is delayed.

Kubo said he told Hashimoto that the government should watch developments in the Diet for a while.

Commenting on new measures mapped out by the ruling coalition to win public support for the liquidation plan, meanwhile, Kubo said, "it cannot be said that commercial banks have fulfilled their responsibility for the housing loan fiasco by promoting restructuring efforts."

Commercial banks, including those that founded the moribund mortgage companies, have agreed to a ruling coalition request to save 1.5 trillion yen over a seven-year period through restructuring and pay 500 billion yen to the national coffers in the form of taxes.

"The founding banks' responsibility should be sought further," Kubo said.

Japan: Diet Budget Voting 'Stalemated'

*OW0703141196 Tokyo KYODO in English
1302 GMT 7 Mar 96*

[FBIS Transcribed Text] Tokyo, March 7 KYODO — The Diet was stalemated for the fourth straight day Thursday [7 March], without any prospects of convening the House of Representatives budget committee to vote on the fiscal 1996 budget draft.

A meeting of Diet affairs chiefs of the three ruling parties — the Liberal Democratic Party (LDP), the Social Democratic Party (SDP) and New Party Sakigake [Harbinger] — and opposition party Shinshinto (New Frontier Party) met Thursday night without striking any deal on the vote, only agreeing to reconvene 10 A.M. Friday.

The ruling coalition broached a proposal that the two sides agree to resume normal Diet business following the recommendations made earlier in the day by Lower House Speaker Takako Doi, a coalition official said.

They told the opposition that the ruling camp is prepared to rearrange the Diet schedule if the opposition party lifts its four-day blockade of the budget panel room.

But Shinshinto responded that they should first talk about the plan in the House of Councillors to discuss establishing a special committee on religion, he said.

The LDP has proposed establishing a committee to discuss relations between religion and politics, apparently targeting Shinshinto and its supporter, the lay Buddhist group Soka Gakkai.

The meeting was abruptly canceled on the news that Shinshinto Lower House lawmaker Moriyoshi Sato died, the official said.

The meeting thus failed to discuss concrete ways to break the parliamentary impasse, he said.

Some coalition members voiced concern that the government's 75.1 trillion yen budget proposal may not be able to pass the lower house until early next week or later.

Chief Cabinet Secretary Seiroku Kajiyama, the top government spokesman, told a press conference that a delay in the budget's passage in the Diet may badly affect the Japanese economy.

A senior LDP executive told reporters that leaders of the three ruling parties and shinshinto should meet later this week to try to reach a breakthrough.

Shinshinto says it will not lift the blockade of the lower house panel room unless a controversial provision to earmark 685 billion yen of taxpayers' money to liquidate seven failed housing loan companies, known as "jusen," is removed from the budget proposal.

The opposition party also stepped up its demand for diet testimony by LDP Secretary General Koichi Kato over allegations he received 10 million yen in a secret donation from a major debtor to one of the moribund mortgage firms.

Seven Shinshinto members filed a criminal complaint Thursday at the Tokyo District Public Prosecutors Office against Kato on the alleged secret donation, saying he is suspected of evading the income tax that he should have paid on the gift.

In a press conference Kato again denied taking the money, calling the Shinshinto action politically motivated.

The scores of Shinshinto members sitting along the passages to the two budget panel room entrances began holding signs Thursday with accusations against Kato written on them.

Earlier in the day, Speaker Doi urged Takeo Nishioka, a senior official in charge of Diet affairs of Shinshinto, to restart Diet debate over the fiscal 1996 budget as soon as possible.

The opposition party, however, told Doi that it cannot accept her request unless the ruling camp agrees to get rid of the jusen outlay and have Kato testify, party members said.

Shinshinto also blamed the ruling camp for setting last Monday as the day for the committee to vote on the draft budget, prompting the party to picket the panel room.

Doi told a press conference that the situation started March 1, when the ruling camp decided on last Monday as the voting day.

The opposition distrusts the ruling parties, believing that they may forcibly vote on the budget, she said.

In a separate meeting, Iwao Teramae, Diet affairs chief of the opposition Japanese Communist Party, also advised Doi that the budget panel voting schedule should be canceled.

Diet affairs chiefs of the three ruling parties asked Doi in the afternoon to take more measures to break the parliamentary impasse, but she reiterated reluctance to forcibly convene the budget panel for voting, coalition members said.

Doi asked the coalition to hold further discussions with Shinshinto, while acknowledging the Diet business cannot continue in its present state for long.

Japan: NFP Members File Criminal Complaint Against LDP's Kato

OW0703084696 Tokyo KYODO in English
0826 GMT 7 Mar 96

[FBIS Transcribed Text] Tokyo, March 7 KYODO —
- Seven opposition Diet members urged prosecutors Thursday [7 March] to investigate and indict Koichi Kato, secretary general of the coalition-leading Liberal Democratic Party (LDP), in connection with an alleged secret donation in 1990.

The seven House of Representatives members of the major opposition Shinshinto (New Frontier Party [NFP]) filed a complaint with the Tokyo District Public Prosecutors Office, accusing Kato of tax evasion.

In the petition, the lawmakers said Kato received 10 million yen in cash from now-defunct steel frame manufacture, Kyowa Co., in January 1990, but did not report the acceptance of the money to tax authorities and thereby evaded income tax on the donation.

Shinshinto is calling for summoning Kato as a sworn witness to the Diet to testify whether he accepted the money from Kyowa, which is one of the borrowers from seven failed mortgage companies, known as "jusen."

Shigenori Mizumachi, former head of a Kato support group, issued a statement Monday saying he was present at a Tokyo hotel in January 1990 when Goro Moriguchi, then vice president of Kyowa, gave the money to Kato for his election campaign fund.

Kato denied the content of the statement at a press conference later Monday, saying he is "suspicious about the motivation for bringing up this issue at the crucial stage of Diet deliberations over failed housing loan companies."

The ruling and opposition camps have been at odds over the government plan to spend 685 billion yen in taxpayers' money to help liquidate the seven jusen companies.

Kyowa's Moriguchi was found guilty by the Tokyo district court in May 1993 of bribing Fumio Abe, former state minister in charge of the Hokkaido and Okinawa Development Agencies, and of fraud in connection with bogus business transactions.

He received a prison sentence of five and a half years, which he is currently serving.

Japan: Prosecutors Accept NFP Complaint Against Kato*OW0703140996 Tokyo KYODO in English
1319 GMT 7 Mar 96*

[FBIS Transcribed Text] Tokyo, March 7 KYODO — The Tokyo District Public Prosecutors Office on Thursday [7 March] accepted a complaint filed by lawmakers of the main opposition Shinshinto (New Frontier Party [NFP]) against Liberal Democratic Party Secretary General Koichi Kato in connection with an alleged secret donation in 1990.

Shinshinto's seven House of Representatives members said in the complaint that Kato received 10 million yen in cash from now-defunct steel frame manufacture, Kyowa Co., in January 1990, but failed to report the money as taxable income, as required under law, until March 15, 1991.

With the period of prescription set at five years for such a case, prosecutors are expected to make a decision on whether to indict Kato soon before the statute of limitations runs out March 15.

Kato said at a news conference later Thursday that he regrets the action taken by the Shinshinto legislators, who he thinks have decided to take the step with a "political motivation."

He reiterated that he did not receive the donation from Kyowa, one of the borrowers from seven failed mortgage companies, known as "jusen."

Shinshinto has demanded Kato appear as a sworn witness before the House of Representatives budget committee over allegations that he received the donation.

Shigenori Mizumachi, former head of a Kato support group, issued a statement Monday saying he was present at a Tokyo hotel in January 1990 when Goro Moriguchi, then vice president of Kyowa, gave the money to Kato for his election campaign fund.

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He received a prison sentence of five and a half years, which he is currently serving.

In a related development, Social Democratic Party (SDP) Chief Tomiichi Murayama and senior party leaders met Thursday to discuss whether to accept Kato's summoning and many supported it, party sources said.

The LDP opposes having Kato appear as a witness before the Lower House committee.

The LDP and the SDP form the ruling coalition together with the smaller New Party Sakigake.

Japan: Coalition Faces 'Impasse' Over Holding Company Issue*OW0703123996 Tokyo KYODO in English
1051 GMT 7 Mar 96*

[FBIS Transcribed Text] Tokyo, March 7 KYODO — The ruling coalition still cannot find a way to break an impasse over their plan to amend the Antimonopoly Law and lift a ban on holding companies before the end of the current Diet session that runs through June, coalition sources said Thursday [7 March].

Two members of the coalition — the Liberal Democratic Party (LDP) and New Party Sakigake [Harbinger] — want to authorize as broad a range of holding companies as possible, while the Social Democratic Party (SDP) wants to keep the planned authorization to a bare minimum.

The two sides agree to lift the 49-year-old ban as long as any changes do not run counter to the objectives of antitrust policy, but they are at odds over how the conditions can be met.

The coalition initially intended to draw up a package of bills calling for the lifting of the holding company ban and reinforcement of the fair trade commission, but the plan fell apart due to differences among coalition partners.

The parties decided to split up the package last month and compiled a bill for upgrading the secretariat of the antitrust watchdog panel and raising the retirement age of commissioners to help recruit a broader spectrum of staff from the private sector.

The triumvirate has since been having study sessions on the holding company issue, and a study group will meet again Friday.

Political watchers say there will be sufficient time for parliamentary debate on lifting of the holding company ban if the coalition submits a bill by the end of March. But it looks increasingly difficult for the group to meet the target, they added.

Critics say an unlimited lifting of the ban could lead to excess concentration of power in the Japanese business community characterized by "keiretsu" interlocking business groupings and cross-shareholding.

The LDP argues the limit on the lifting should not be strict, while the SDP argues for keeping holding

companies banned in principle and authorizing them case by case.

One likely type of business to rise from the lifting of the ban would be financial holding companies for bailing out failed financiers. This could lead to the realignment of Japan's financial circles as a bank, for instance, would be able to put a brokerage house under its wing, analysts said.

The SDP, however, calls for reviewing regulations on equity ownership by financial institutions if holding companies are to be introduced into the financial sector.

In the United States, where holding companies are legal, banks are barred from gaining an equity stake in nonfinancial companies. Japanese banks are allowed to hold up to 5 percent of other companies.

Some industrialists are cautious on the issue of holding companies. "We will first monitor what happens after the lifting of the ban," said Yoshihiko Miyauchi, president of Orix Corp., a major leasing company.

Analysts say companies could use the holding company system to spin off business divisions or as an alternative to traditional mergers.

But to fully appreciate the benefit of holding companies, businesses should be allowed to pay corporate tax on a consolidated basis, the Federation of Economic Organizations (Keidanren) argues. The government is not yet debating the issue.

Under the current corporate tax system, a holding company could not combine the accounts of business divisions in the black and those in the red, thus cutting its tax burden, because all subsidiaries under its aegis would be taxed separately.

Meanwhile, the Japanese Trade Union Confederation, the biggest labor organization, notes that it is unclear whether the management of holding company subsidiaries has the right of collective bargaining with labor.

Academics question the way the coalition is conducting the holding company issue. "It is incomprehensible why they hurry to amend the (antimonopoly) law when you have this much argument," says Akira Shoda, professor of law at Sophia University.

North Korea

DPRK Peace Mechanism Statement Distributed as UN Document

SK0303070796 *Pyongyang KCNA in English*
0632 GMT 3 Mar 96

[FBIS Transcribed Text] Pyongyang, March 3 (KCNA) — The February 22 statement of the spokesman for the Foreign Ministry of the Democratic People's Republic of Korea was distributed as an official document S/1996/128 of the United Nations Security Council on February 27.

The statement was made public two years since the DPRK Government initiated establishment of a new peace mechanism.

Contained in the statement is a three-point proposal which was advanced by the DPRK Government to establish the new peace mechanism.

It stresses that the DPRK and the United States should adopt a tentative agreement to remove the danger of armed conflicts and war on the Korean Peninsula and keep the state of armistice in a peaceful way.

DPRK: South Koreans in Japan Denounce U.S. for Kwangju Role

SK0703100596 *Pyongyang KCNA in English*
0757 GMT 7 Mar 96

["Hantongnyon Urges U.S. To Apologize" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — The Federation of South Koreans in Japan for Democracy and Unification (Hantongnyon) in a statement on Feb. 29 condemned the United States for giving permission to the Chon Tu-hwan-No Tae-u group, the then- new military in South Korea, for suppression of the Kwangju popular uprising in May, 1980.

The statement noted that the U.S. is not a "friend" of the South Korean people, but a patron of the South Korean dictators and murderers and a major obstacle to democracy in South Korea and reunification of the country.

It urged the U.S. to admit its involvement in the Kwangju massacre, openly apologize for that, open all the secret documents on the massacre, clarify the truth and immediately withdraw its troops from South Korea.

DPRK Talk Denounces Military Exercises in ROK

*SK0403144596 Pyongyang Korean Central
Broadcasting Network in Korean
0855 GMT 2 Mar 96*

[Unattributed talk: "The Maneuvers for War of Northward Invasion Becoming More Unscrupulous"]

[FBIS Translated Text] The maneuvers for a war of northward invasion by the U.S. imperialists and the Kim Yong-sam ring are becoming more unscrupulous. Such maneuvers are seen even in the fact that they dragged into South Korea the U.S. imperialist aircraft carrier Independence, carrying numerous airplanes aboard and equipped with ship-to-air and ship-to-ship missiles, and conducted a war exercise near the Korean peninsula on 24 February. This is a dangerous act to trigger a new war on the Korean peninsula and tells us that the U.S. imperialists and the South Korean puppets are more overtly accelerating their war maneuvers.

Earlier, on 23-25 February alone, the U.S. imperialists and the South Korean puppets conducted a 10-day frantic joint war exercise under the mobilization of U.S. airplanes, including a B-52 strategic bomber, and South Korean puppet airplanes. The U.S. Navy in South Korea also conducted the Valiant Usher 96-2K, a naval exercise, including an aircraft carrier mobile exercise beginning 9 February.

On the other hand, the South Korean puppets are committing an adventurous military provocation one after another in the air, on the ground, and in the Military Demarcation Line [MDL].

On 21 February, the day after our peace proposal to make this year a year of peace and great national unity was put forward, the Kim Yong-sam puppet clique perpetrated a provocative aerial war exercise against the northern half of the Republic on the skies of the West Sea, west of the Sosa peninsula, by mobilizing some 820 fighters. On the same day, they dragged in scores of military vehicles loading lethal equipment to the area of Taesan-ri, Kangwha County, thus fanning an atmosphere of confrontation.

That evening, the South Korean puppets deployed a number of puppet army bandits in the attack starting positions in the frontline areas in Yongsan-ri, Paju County and Majon-ri, Yongchon County and conducted night exercises for a war of northward invasion, firing a number of rounds of ammunition.

In addition to these exercises, on 5-7 February the South Korean puppets staged an aerial war exercise aimed at conducting a preemptive strike against our frontline area and the inland area of our coast by mobilizing some 1,200 fighters and using the skies of Ammyong-do and

Tokjok-do areas as its operational area in collusion with U.S. imperialist warmongers. During this period, some 10 large-type cargo airplanes of the puppet army staged a large-scale airlift operation exercise on the skies of Sinchon-ri, Paju County, simulating the infiltration of special commandos into our strategic point.

On 23 February, the puppets also kicked up a war exercise commotion of staging an intensive attack on a target by mobilizing the main airplanes of the puppet air force such as KF-16s, F-16s, F-4s, and F-5s. On the other hand, the U.S. imperialists are further accelerating an aerial espionage act against our area by mobilizing various types of strategic and tactical reconnaissance airplanes deployed in their overseas bases and in South Korea.

On 27 February, a U-2 high-altitude strategic reconnaissance plane made a shuttle flight from East to West along the MDL for the purpose of photographing and electronic espionage on our inland area. More than 30 such aerial espionage activities were conducted by the U-2 airplane in February.

On 23 and 24 February, when the U.S. imperialists' aircraft carrier Independence and other pirates sneaked into the waters of the Korean peninsula to stage an exercise for a war of northward invasion, 19 reconnaissance planes, including strategic espionage planes, early warning planes, tactical reconnaissance planes, and electronic warfare helicopters flew in the air above the MDL day and night for intensive espionage activities against us.

The aerial espionage activities on the northern half of the Republic by the U.S. imperialists' strategic and tactical reconnaissance planes during February numbered more than 170. This shows that peace and detente on the Korean peninsula that the U.S. imperialists are clamoring about are an out-and-out lie and that the rascals' maneuvers for aggression to crush our Republic with force of arms have not changed at all.

The commotion of fire play by the treacherous Kim Yong-sam clique, which is attempting to find a way out of its crisis created by the secret fund scandal in aggravating tensions; and by the U.S. imperialists, who are encouraging the dying puppets to accelerate a war of northward invasion, is arousing protest and condemnation among our people at home and abroad and among the peaceloving people of the world. Patience has a limit. If the U.S. imperialists and the South Korean puppets continue to advance along the road of war against us, our people and officers and men of our heroic People's Army will deal bitter punishment to them. The U.S. imperialists and the South Korean puppets should clearly know this and act discretely.

DPRK: ROK Military Activity in DMZ Reported

*SK0603030696 Pyongyang KCNA in English
0225 GMT 6 Mar 96*

[*"Military Provocations in DMZ" — KCNA headline*]

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — The South Korean puppets in the daytime on Monday introduced a 90 mm recoilless gun into the Demilitarized Zone (DMZ) and levelled it at civil police posts of the north side for a long time, according to military sources.

They brought 12.7 mm machine-guns and military vehicles loaded with ammunition boxes into the DMZ and called out over 20 soldiers to level guns repeatedly at People's Army soldiers on a routine duty, on March 3.

Puppet army soldiers swarmed to the DMZ and ran about the area, swaying machine-guns and automatic rifles on March 3 and 4.

DPRK Paper Comments on Upcoming ROK Elections

*SK0303073496 Pyongyang KCNA in English
0653 GMT 3 Mar 96*

[*"Putile Effort of Illegal Campaigner" — KCNA headline*]

[FBIS Transcribed Text] Pyongyang, March 3 (KCNA) — The ruling and opposition parties of South Korea are in a fierce tit-for-tat on the threshold of the 15th "general election."

Especially, the ruling "New Korea Party" is engaging in illegal "election" campaign, in which the traitor Kim Yong-sam takes the lead.

NODONG SINMUN today says although Kim Yong-sam cries out for "fair election" and "clean election," it is a lie and a smokecreen to conceal his group's preparations for violence-backed "election" rigging.

The news analyst continues:

Kim Yong-sam is conducting an alignment operation. He hugs whoever from among former bureaucrats seems likely to "win in the election" as a "candidate" of the ruling party. For instance, the former puppet prime minister, Yi Hui-chang, who had recently committed "not to participate in politics," joined the "New Korea Party" after his secret meeting with Kim Yong-sam.

The "New Korea Party" is going all out for "election" campaign. It changed the operation mode of its secretariat into a "campaign system" and formed the "election measure committee" far ahead of schedule.

The Kim Yong-sam group installed repressive tools called "special team for election offenders" at some 4,200 institutions and 236 police stations throughout South Korea. They mobilize the puppet prosecution and police as well as "national taxation agency" officials and bank inspectors in violent preparations for fraudulent "election." Some time ago, they issued "internal guidelines" to the fascist police, promising a "two-rank promotion" to those who check "election law" violations of opposition "candidates."

As the South Koreans say, it is as foolish as expecting a rose from ditch to expect a fair, clean "election" from the corrupt political system of South Korea, a complex of money, power abuse and intrigue, especially from the Kim Yong-sam regime of thieves.

The South Korean people are determined to turn the upcoming "general election" into a tribunal of history against the traitorous Kim Yong-sam group.

DPRK: Foreign Groups Denounce ROK Human Rights Violations

*SK0403110296 Pyongyang KCNA in English
0830 GMT 4 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — An Indian organization and Italian and Nepalese personages recently sent letters to the human rights centre of the UN, denouncing the South Korean authorities' violation of human rights.

The Indian Federation for World Cooperation and Cultural Relations noted in its letter that the South Korean authorities still detain Rev. Kang Hui-nam (75) and a Presbyter Sin Chang-kyun (88), who are in bad health conditions, and other members of the South side headquarters of the National Alliance for the country's Reunification (Pomminnyon), 30 in all. The letter strongly denounced it as a grave violation of the world human rights declaration.

We ask that the human rights centre of the UN pay deep attention to violations of human rights in South Korea and actively help toward immediate release of democratic figures and students and repatriation of the unconverted long-term prisoners to North Korea at an early date, the letter stressed.

Paolo Piopi, secretary general of the Nino Pasti International Fund for Peace and Solidarity Among Peoples in Italy, in his letter denounced it as a clear violation of human rights that the South Korean authorities arrested members of the Pomminnyon South side headquarters and Chong Min-chu and Yi Hye-chong, representatives of the South Korean Federation of University Student

Councils under the South side headquarters of the National Alliance of Youth and Students for the Country's Reunification who visited Pyongyang, by invoking the "National Security Law" (NSL).

All the conscientious people and organizations of the world should take decisive measures to put pressure on the South Korean authorities to set free the imprisoned personages, he said, and continued:

"It is very urgent to put strong international pressure upon the South Korean authorities to abolish the 'NSL' at an early date and respect elementary human rights."

President of the World Human Rights Committee of Nepal Budhacharya Shakyas demanded in his letter that the human rights centre of the UN urge the South Korean authorities to repatriate at an early date the unconverted long-term prisoners, who are suffering from illness owing to the long prison life and harsh persecution and are helpless in South Korea, to the North where their families and relatives await them.

DPRK: More Reportage on Return of Crewmen Via Panmunjom

*SK0503230496 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 5 Mar 96*

[FBIS Translated Text] Crewmen of our trade cargo ship Yombunjin returned to the bosom of the Republic through Panmunjom at 1100 [0200 GMT] on 5 March. The trade cargo ship Yombunjin was wrecked by high waves a few days ago in the open waters of the East Sea of Korea. Two of our crewmen, who were adrift on the sea, were taken away by a South Korean patrol boat.

Our crewmen, who longed for the bosom of the party and did not bend their revolutionary faith, returned to their beloved bosom of the fatherland. Returning to the bosom of the respected and beloved general, without whom they cannot live for one moment, they shouted "Long live the great leader General Kim Chong-il [widachan yongdoja kimjongil changgunnim]" as soon as they crossed the central demarcation line at Panmunjom, being unable to resist their emotion and joy.

The crewmen who returned to the bosom of the motherly party were warmly greeted at Panmunjom by Choe Chung-hyon, vice chairman of the Central Committee of the DPRK Red Cross Society, responsible functionaries of the Marine Transport Ministry, and functionaries concerned.

DPRK: Fishermen Who Defected From ROK in Jan Interviewed

*SK0503092796 Pyongyang KCNA in English
0802 GMT 5 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — Crew of the South Korean fishing boat "707 Taeyong", who defected to the northern half of Korea from South Korean society on Jan. 28, were interviewed by KCNA at their lodging place.

They told reporters about their impressions of the North and the worthy life they enjoy for the first time. They led a subhuman life suffering from maltreatment, humiliation and poverty in South Korea, they said.

They told newsmen they know well that all their happiness is due to the benevolent politics of the Great Leader General Kim Chong-il.

The Captain Kim Chong-on said:

"We are intoxicated by a great pride, honor and happiness as we have become members of the family of the respected General Kim Chong-il, together with the northern people.

"We will devote ourselves to hastening the day when all the South Korean people will become his family members.

"We greeted his birthday, the greatest national holiday, here in the North for the first time.

"On the morning of February 16 we wished we had gone to the respected general and make a deep bow representing the cherished desire of the South Korean people for his longevity and told him that the South Korean people trust and follow only him."

DPRK: Kim Yong-sam's Efforts To Set History 'Straight' Noted

*SK0303074696 Pyongyang KCNA in English
0628 GMT 3 Mar 96*

["NODONG SINMUN on Deceptive 'Setting Modern History Straight'" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 3 (KCNA) — NODONG SINMUN March 2 said that "setting modern history straight" on the lips of the traitor Kim Yong-sam is nothing but a clumsy advertisement put up by the dictator in an attempt to extricate himself from the crisis.

The author of an article titled "Reaction of History Cannot Set History Straight" said:

Just as social renovation and progress are unthinkable without the creative activities of the popular masses, so

"setting modern history straight" can hardly be thinkable were it not for the popular masses.

The traitor Kim Yong-sam is misleading the public opinion with the deceptive advertisement about "setting modern history straight", prattling that the institution of a special law on the May 18 incident and the detainment of the main culprits of the Kwangju massacre were a "bold decision."

People consider that the traitor Kim Yong-sam's clamour about "setting modern history straight" is a gossip of the very one who has become a reject of history, a target of liquidation, for the treacherous road he has taken with the military dictators of the "Fifth and Sixth Republics."

"Setting modern history straight" on the lips of the traitor Kim Yong-sam, the moribund reactionary of history, forsaken by the people for his treacherous act against them, is an intolerable insult to and mockery of history and the people.

It is a trite ruling method of the traitor Kim Yong-sam, a political charlatan, to produce a "surprising drama" whenever he is driven into crisis, in a bid to deceive the people and divert elsewhere the hatred of the people for him. In the final analysis, his clamour about "liquidation of the past" and "setting modern history straight" is a poor scream of the very one who is in a crisis, having been branded as the target of overthrow by history and the people.

DPRK: CPRF Secretariat on 'Suppression' by Kim Yong-sam

SK0403044096 *Pyongyang KCNA in English*
0301 GMT 4 Mar 96

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] issued Information No. 704 on Sunday denouncing the Kim Yong-sam fascist clique of South Korea for harshly suppressing the escalating anti-Kim Yong-sam, anti-"government" struggle of students and people.

Upset by the students' struggle, which has been gaining momentum from the beginning of a new school term, the Kim Yong-sam group have harshly suppressed students for their legitimate demand for the punishment of the Kwangju murderers and the disclosure of the "presidential election" fund with the mobilization of huge repressive forces, crying for "eliminating illegality and violence" and "strictly coping with those harmful to security," the information said, and continued:

Their suppression is a last-ditch effort of the guilty persons to cover up their crimes.

With the puppet National Assembly election approaching, the traitor Kim Yong-sam, in the hope of avoiding public protest against him, has been calling for "setting the modern history straight" and having a "fair election" as if he were clean. But nobody will be deceived by his brazen-faced sophism.

The South Korean students and people will lay bare all the crimes of the traitor, who has broken his "commitment" and rigged "election" with the backing of money amounting to hundreds of billions of won to take power and draw water to his mill, and continue the struggle until he is brought to judgement.

DPRK Daily: Kim Yong-sam's Southeast Asia Trip 'Failure'

SK0603043796 *Pyongyang KCNA in English*
0411 GMT 6 Mar 96

["NODONG SINMUN on Traitor Kim Yong-sam's Southeast Asia Trip" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — NODONG SINMUN today comments on the recent trip to Southeast Asian nations by the traitor Kim Yong-sam of South Korea.

The daily says:

During his visit to the nations, he tried to drum up their "support." But the South Korean "president" was given a cold shoulder or was not even allowed to meet his counterparts in some of the countries.

It was natural that he was given a cool reception.

Through the trip he engaged in solicitation diplomacy to extricate himself from international isolation, crying for "strengthening of the diplomatic cooperation system" and "intensified diplomacy towards non-aligned nations," but to no effect. Historically, the South Korean puppets have served the imperialists as their "detached force" against non-aligned nations, bringing heavy damages and misfortunes to them.

As universal opinion indicates, his trip ended in failure.

DPRK: Kim Yong-sam's Remarks During Singaporean Trip Noted

SK0703033696 *Pyongyang KCNA in English*
0315 GMT 7 Mar 96

[FBIS Transcribed Text] Pyongyang, March 7 (KCNA) — The traitor Kim Yong-sam of South Korea, during his recent visit to Singapore, said "North Korea poses a great danger to the peace and stability of the East Asian region" and "its government is as fragile as a disabled plane so that it will collapse sooner or later."

His remarks fully revealed the sinister intention of his group to impair the high prestige of the Democratic People's Republic of Korea in external relations by making a rumor about "its threat to East Asia" and, in this way, conceal their anti-national, anti-reunification crimes.

When the South Korean puppets maliciously slandered our supreme leadership some time ago, we were serious in warning that such base slander would result only in precipitating their doom.

They should have drawn a serious lesson from their criminal act and properly apologized to the nation. Recently, however, the traitor Kim Yong-sam himself debased the dignified People's Government of the DPRK.

They must know that our people and People's Army value their leader, their party and their socialist system as much as their lives.

Anyone who dares speak ill of the supreme leadership, our life and future, and the people's government, our cradle, will be sternly punished by our people and People's Army.

Ridiculously, the traitor cried for "dialogue" with the North in his "address" at the "ceremony marking the anniversary of the March 1 popular uprising."

The call for "dialogue" by the human dreg engaging in abuses of the dialogue partner clearly shows that "inter-Korean dialogue" on the lips of his group is only hypocrisy for getting themselves out of the wood.

There is no need to sit face to face with such anti-national, anti-reunification elements as the Kim Yong-sam group and thrash out rights and wrongs. If the nation is to be free from disasters, they should be removed.

DPRK: Kim Yong-sam 'Warmaniac More Heinous' Than Military Rulers

SK0703123496 *Pyongyang KCNA in English*
1212 GMT 7 Mar 96

[INR Lays Bare Traitor Kim Yong-sam's War Preparations — KCNA headline]

[FBIS Transcribed Text] *Pyongyang, March 7 (KCNA)* — The Institute of National Reunification (INR) made public a memorandum today denouncing the Kim Yong-sam traitorous regime of South Korea for having escalated aggressive war preparations and steadily increased the danger of war in Korea since its appearance.

The memorandum says that since he came to power with the "civilian" veil, the traitor Kim Yong-sam has sought

confrontation and war more viciously, more zealously and more perilously than the former military dictators.

It further says:

Since he took power, he has frequently showed up at ground, naval and airforce units and different commands of the puppet army, puppet military academies and units of U.S. imperialist aggression forces, whipping up a fever of war against the North. According to publications, he paid visits to 16 units on 11 occasions in less than three years until the end of last year. In the corresponding period, No Tae-u made inspections of eight units on 6 occasions.

The traitor Kim's true color has been brought into bold relief when the nation suffered a great misfortune in July 1994. When the entire fellow countrymen were in deep grief at the loss of the nation's father, he put the whole of the puppet army in "special alert" and in a posture of war. He also convened such meetings as "state security-related meeting" and "emergency cabinet meeting," seeking a war against the North of the same nation.

These days, he is trying hard to find a way out of the political crisis, caused by the slush fund scandal and the May 18 problem, in a war.

Noting that since Kim Yong-sam seized power, anti-North military manoeuvres have become more frequent, assuming all the more provocative nature, the memorandum says:

South Korean press reports indicate that large-scale manoeuvres in 1992, the last year of the No Tae-wu regime, numbered eight, but they increased to 16 in 1993, the first year of the Kim Yong-sam regime, to 32 in 1994 and to 37 in 1995.

As soon as he captured power, the traitor Kim in conspiracy with the U.S. restarted the infamous Team Spirit 93, anti-North exercises, and further intensified Uichi Focus Lens, Foal Eagle and other U.S.-South Korea joint exercises as well as trainings of the puppet army.

The puppet army's combined exercise in the first half of last year involved 80,000 troops, nearly double those in the previous years, and more than 200,000 troops in the second half.

The Kim Yong-sam clique plan to stage this year such joint manoeuvres as Rsoi, Hwarang, Freedom Banner and Rimpac 96. Military exercises are expected to numerically increase 1.3-1.5 times those last year.

The memorandum also says that since the traitor Kim took power, South Korea has rapidly reinforced military hardware.

The costs of combat equipment purchased from the United States in the form of "arms export" were D363 million last year and D1,802 million this year. South Korea purchased 474 missiles including latest-type medium- and short-range air-to-air missiles, and later many missiles from the U.S., turning itself into the biggest market of U.S.-made missiles.

South Korea has also purchased many jet fighters, helicopter gunships, tanks, guns, vessels, military vehicles, ammunition, etc. and produced military equipment by themselves with the help of the U.S. imperialists.

Under the pretext of "development atomic reactors" the traitor Kim continues in secrecy the development of nuclear weapons which former military regimes had pushed ahead with.

All the facts show that the traitor is a warmaniac more heinous than the former military rulers. With him left alone, can the peace of our country never be expected.

DPRK: Pomminnyon Overseas Delegates Leave 2 Mar

*SK0503021196 Pyongyang Korean Central Broadcasting Network in Korean
1300 GMT 2 Mar 96*

[FBIS Translated Text] So Man-sul and Yang Tong-min, vice chairmen of the overseas headquarters of the National Alliance for the Country's Reunification [Pomminnyon], and Pak Yong, vice director of the secretariat of the overseas headquarters of Pomminnyon, delegates of the overseas headquarters who participated in the emergency meeting of the presidiums of the North and overseas headquarters of Pomminnyon, left Pyongyang by plane on 2 March.

On the same day, Yim Min-sik, secretary general of Pomminnyon and director of the overseas headquarters, left Pyongyang by plane.

Pak In-chun, chairman of the North headquarters of Pomminnyon and chairman of the Central Committee of the General Federation of Literary and Art Unions of Korea; Yo Yon-ku, vice chairman of the North headquarters of Pomminnyon and chairman of the Central Committee of the Democratic Front for the Reunification of the Fatherland; and other functionaries concerned, saw them off at the airport.

DPRK: 'All Koreans' Urged To Struggle To Reunify Country

*SK0303085796 Pyongyang KCNA in English
0642 GMT 3 Mar 96*

["Pan-national Struggle Needed for Reunification" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 3 (KCNA) — The situation urgently requires that all Koreans at home and abroad who wish peace and peaceful reunification of the country unite and join in the pan-national struggle to preserve peace and reunify the country, declares NODONG SINMUN today, adding that the division of the territory and the nation has imposed immeasurable sufferings, difficulties and misfortunes on the Koreans.

The paper says in a signed article:

The recent joint meeting of political parties and organisations in the DPRK proposed that the North, South and overseas Koreans make 1996 "a year of peace and great national unity" and open a new turning point for national reunification.

The North and the South of the country remain divided and stand in military confrontation with each other. In this situation, the country's reunification, the supreme desire of the nation, is impossible without peace and great national unity and the latter is meaningless without the former.

The Korean nation strives for peace and great national unity, overcoming manifold difficulties. This struggle is, in the long run, aimed at achieving the historical cause of national reunification.

If the North and the South resort to mutual antagonism, instead of reconciliation and unity, they will never be able to reunify the country but will bring nothing but disaster to the nation.

Peace is ruthlessly violated in Korea. The North and the South are in sharp confrontation with the Military Demarcation Line in between. This is entirely due to the anti-national, anti-peace and anti-reunification activities of the bellicose forces of the U.S. and the sycophantic South Korean puppets.

Ever since they took office, the Kim Yong-sam group have resorted to frantic confrontation and war preparations against the North.

The reckless military actions of the Kim Yong-sam group have created a touch-and-go situation on the Korean peninsula.

All the Koreans must wage a vigorous, grand march toward national reunification through confederacy under the banner of great national unity in hearty response to the proposal of the joint meeting.

No outside forces will present the Korean nation with reunification, which can be achieved only through the united struggle of the Korean nation themselves.

This year all the Koreans must courageously fight to smash the separatists' anti-reunification moves in each step and achieve peace and great national unity so as to open a new turning point for reunification.

DPRK: 40,000 Tons of Grain From Syrian Government Arrive

*SK0703114196 Pyongyang KCNA in English
1048 GMT 7 Mar 96*

[FBIS Transcribed Text] Pyongyang, march 7 (KCNA) — 20,000 tons of wheat and 20,000 tons of barley (worthy of nine million dollars) provided by the Syrian Government arrived at Nampo Port on January 26 and March 6 when the projects for healing the damage caused by the flood in some areas of the Democratic People's Republic of Korea are being fastly stepped up under the wise guidance of the Great Leader Comrade Kim Chong-il.

With this, all the relief goods provided by the Syrian Government to Korea have arrived here.

DPRK: PRC Jilin City Delegation Returns Home 2 Mar

*SK0503021096 Pyongyang Korean Central
Broadcasting Network in Korean
1300 GMT 2 Mar 96*

[FBIS Translated Text] The PRC Jilin City friendship delegation led by Mayor Zhan Yuechang returned home on 2 March. Functionaries concerned saw the delegation off.

DPRK: Mayor of China's Jilin City on Impressions of Visit

*SK0403044396 Pyongyang KCNA in English
0257 GMT 4 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — Mayor Zhan Yuechang, who was heading the Jilin City friendship delegation of China, said that President Kim Il-song devoted his whole life for the prosperity of Korea and the happiness of people after visiting Mangyongdae.

Nothing can break the friendship between the two parties, countries and peoples of China and Korea provided by President Kim Il-song, he stated.

Inspecting Kim Chong-suk creche, he said that President Kim Il-song, regarding the Korean children as "king" of the country, paid deep attention to the education of the children and developed it to the world level.

He continued:

"Children are the future and hope of [the] country. The Korean children are, indeed, growing up in happiness with bright future.

"The Great Leader Comrade Kim Chong-il also regards the children as 'king' of the country and directs everything to the education of the rising generation. I was deeply impressed by the great success of Korea in education."

DPRK Minister Returns Home 1 Mar From Ukraine

*SK0403070496 Pyongyang Korean Central
Broadcasting Network in Korean
0100 GMT 2 Mar 96*

[FBIS Translated Text] The delegation of the DPRK-Ukraine Friendship Association led by Kim Hak-sop, chairman of the DPRK-Ukraine Friendship Association and minister of Posts and Telecommunications, returned home by train on 1 March after participating in a festive event in Ukraine on the occasion of the 16 February holiday.

Yi Song-ho, vice chairman of the Committee for Cultural Relations With Foreign Countries, welcomed the delegation at Pyongyang Station.

DPRK: Hwang Chang-yop, Zaire Party Group Hold Talks

*SK0403064896 Pyongyang KCNA in English
0308 GMT 4 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — Talks were held here on Sunday between a delegation of the Workers' Party of Korea and a delegation of the Lumumba Democratic Party of Zaire (LDPZ).

Present there on the WPK side were secretary of the WPK Central Committee Hwang Chang-yop, vice-director of a Department of its Central Committee Choe Chin-su, and other officials concerned, and on the opposite side were the members of the delegation of the LDPZ led by its Secretary General Ngoy Nduba.

They informed each other of their parties' activities and discussed on developing the friendly relations between the two parties and a series of matters of common concern.

The talks proceeded in a friendly atmosphere.

DPRK: Peruvian Leftist Party Leader Departs

SK0503124096 Pyongyang KCNA in English

1017 GMT 5 Mar 96

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — Tani Baler Lopera, general secretary of the National Executive Committee of the Left Revolutionary Union of Peru, and his company left here today after winding up their visit to Korea.

During the visit, they visited Mangyongdae where the Great Leader President Kim Il-song was born, the Tower of the Chuche Idea, the Grand People's Study House, the three-revolution exhibition, the Revolutionary Martyrs' Cemetery on Mt. Taesong and other places.

DPRK: WPK Sends Greetings to Portuguese Communist Party

SK0503142796 Pyongyang KCNA in English

0929 GMT 5 Mar 96

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — The Central Committee of the Workers' Party of Korea today sent a message of greetings to the Central Committee of the Communist Party of Portugal on the 75th founding anniversary of the party.

The message said that since the foundation the party has powerfully striven to oppose imperialism, defend peace and security in the world and champion the democratic rights of the working people. The message expressed firm solidarity for the struggle of the Portuguese party to maintain the socialist principle and strengthen its mass foundation.

The message hoped that the friendly and cooperative relations between the two parties will continue expanding and developing in the common idea for socialism and that the Communist Party of Portugal will achieve a new success in its activities.

DPRK: Nigerian Government Delegation Begins Visit

SK0503142996 Pyongyang KCNA in English

1015 GMT 5 Mar 96

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — A delegation of the Nigerian Government led by Walter Ofonagoro, Minister of Information and Culture of Nigeria, arrived here today. The delegation was greeted at the airport by Chairman of the DPRK Information Committee Kim Chol-myong and Charge D'Affairs ad Interim of the Nigerian Embassy here J.C. Eziaghigala.

DPRK: WPK Sends Greetings to Venezuela Communist Party

SK0503142496 Pyongyang KCNA in English

0925 GMT 5 Mar 96

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — The Central Committee of the Workers' Party of Korea sent a message of greetings to the Central Committee of the Communist Party of Venezuela (PCV) on March 4 on the occasion of the 65th anniversary of its foundation.

The message expressed the belief that the friendly relations between the two parties will further strengthen and develop in the common struggle for independence against imperialism and for socialism and wished the PCV new success in the activities for strengthening the party and realising unity with the progressive forces.

DPRK: Foreigners See 'Bright Future' for DPRK Countryside

SK0503092396 Pyongyang KCNA in English

0759 GMT 5 Mar 96

["Bright Future for Korean Socialist Countryside" — KCNA headline; spellings of names as received]

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — The world public marvels at the Korean rural areas, which has turned into an ideal socialist countryside.

Gibri al-Wahba, vice-chairman of the Administration Council of the Arab Art, Culture and Information Association of Egypt, said that His Excellency the Great President Kim Il-song promulgated the Agrarian Reform Law 50 years ago and gave the peasants land free of charge to realize their long-cherished desire.

Aobrey G. Thomas, chairman of the Group for the Study of the Chuche Idea of Comrade Kim Il-song in Goedverwagting, Guyana, noted that the respected leader President Kim Il-song published theses on the socialist rural question so as to open up bright vistas for ultimate solution to the rural question.

The Syrian paper NIDAL PALYAHIN said:

Water supply system, bus service, and the TV network have been successfully realized and the clinics developed into hospitals and a well-regulated system of distribution of publications established in the Korean rural areas. So, the farmers in Korea live as affluent and cultural life as urban life.

The Zambian paper ZAMBIA DAILY MAIL said that every farm village of Korea has a nursery, kindergarten, school, hospital, shop and public service establishments.

And all the farmers enjoy free medical care and free education, the paper said.

N.S. Karala, chairman of the All-India Peasants' Union, said that the great changes in the countryside of socialist Korea today are thanks to the endless on-the-spot guidance of the respected leader Comrade Kim Il-song and the respected Comrade Kim Chong-il. He expressed the belief that the Korean socialist countryside will be prosperous forever under the banner of the great rural theses.

DPRK: Peru University Gives Kim Chong-il Honorary Title

*SK0403064596 Pyongyang KCNA in English
0311 GMT 4 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — San Pedro University, Peru, awarded the title of honorary doctor to the Great Leader Comrade Kim Chong-il, congratulating him on his 54th birthday, with a due ceremony in Lima on February 28.

A decree of the Executive Council of the University on awarding the title of honorary doctor to him was read and the university president handed the diploma and medal to the DPRK ambassador to Peru.

In his address, the president of the university said that, in celebration of the 54th birthday of His Excellency Kim Chong-il, the great leader of the Korean people, who has developed and enriched the chuche idea, founded by the Great Leader Comrade Kim Il-song, in a comprehensive way from his university days and wisely guided all the affairs of the party and the state, building a genuine socialist state which fully guarantees the interests of the popular masses, the university decided to award him the title of honorary doctor.

DPRK: Kim Chong-il on Love, Respect for Revolutionary Elders

*SK0403062396 Pyongyang KCNA in English
0306 GMT 4 Mar 96*

[NODONG SINMUN on Love for People, Respect for Revolutionary Forerunners] — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — A true revolutionary striving for the independence of the popular masses and socialism must love the people and respect revolutionary predecessors, said NODONG SINMUN March 3.

It quoted the Great Leader Comrade Kim Chong-il as saying:

"Love for the people and respect for revolutionary predecessors are inseparable."

Loving the people and respecting revolutionary forerunners is a requirement of the revolution and a strong sense of moral obligation the revolutionaries should have, the paper said in an article, and continued:

For the revolutionaries championing socialism, love for the people and respect for revolutionary forerunners are linked with each other. Without infinitely loving the people, one cannot have feelings of respect for revolutionary forerunners and vice versa.

Only a person who loves and serves the people faithfully can respect revolutionary forefathers and only a person who respects revolutionary predecessors can love the people and be faithful to them.

As love for the people and respect for revolutionary forerunners are linked with each other, whether one respects revolutionary forerunners or not and whether one inherits the revolutionary traditions established by them or not indicates whether one is a true revolutionary striving for the people or a traitor. All of them who slander the revolutionary forerunners and insult their revolutionary ideas and feats are traitors to the people.

The chuche-based idea and theory that love for the people and respect for revolutionary predecessors are inseparable mirror the greatness of the respected General Kim Chong-il, who has noble virtues of loving the people and noble traits of respecting revolutionary forerunners on the highest level.

Happiest are our people guided by the great General Kim Chong-il, who deeply loves the people and highly respects revolutionary forerunners. Under his leadership our revolution has emerged victorious in any complicated circumstances.

DPRK: Kim Chong-il Attends Youth Ensemble Performance

*SK0703000796 Pyongyang Korean Central
Broadcasting Network in Korean
2100 GMT 6 Mar 96*

[FBIS Translated Text] The great leader [yongdoja] Comrade Kim Chong-il has attended a youth ensemble performance. Comrade Kim Chong-il, the great leader [yongdoja] of our party and people, has attended a youth ensemble performance.

Comrades Kim Ki-nam and Kim Chung-nin, secretaries of the Workers Party of Korea Central Committee; Comrade Choe Yong-hae, first secretary of the Kim Il-song Socialist Youth League, and functionaries of the youth movement, also attended the performance.

Performed at the stage were the song and dance, "Our Leader"; female solo, "We Are the General's

Detachment Force"; solo and chorus, "We Hold Fast More Firmly to Guns and Sword"; female chorus, "When We Bloom as a Flag"; (?flute) solo, "The Beat of Horse Hoofs in Paektu"; mixed quintet, "Let Us Become the Troops of the General"; male mass dance, "The Sound of Steam Whistle Echoed in Northern District Railway"; Chorus, "The 8 Million Are All Guns and Bombs"; chorus, "Let Us Highly Uphold the Red Banner," and other colorful programs.

The performers proudly sang the songs reflecting the proud 50-year course of the Kim Il-sung Socialist Youth League, and feats in the struggle of the youth who are carrying out the role of a shock brigade in all the domains of national defense and socialist construction.

Through their presentation, the performers demonstrated the iron-clad faith and will of 5 million youth vanguards to carry to accomplishment over generations the chuche revolutionary cause pioneered at the Paektu forest by following the party's leadership and to become guns and bombs that defend and protect the respected general. They also materialized the happiness of our youth who are freely blooming the hope of youth and value of life in the bosom of the party.

Comrade Kim Chong-il expressed great satisfaction that the creators and artists of the youth ensemble, which was newly formed, produced revolutionary and militant art performances with lofty ideological nature vigorously and energetically in conformity with the characteristics of youth.

Comrade Kim Chong-il appraised that the performance by the youth ensemble has an excellent content and that the artists' skill was lofty. He extended thanks to the creators and artists of the ensemble for their characteristic performance, which will greatly contribute to the ideological education of youth.

Comrade Kim Chong-il said that the youth ensemble is playing a role in the ideological front to prepare our youth, who are willing to carry out the revolution and struggle, to be successors of the revolution who are unwaveringly loyal to the party and revolution. He put forward programmatic tasks on the work of artistic creation and performance activities of the ensemble.

All the creators and artists of the youth ensemble could hardly repress their deep emotion that the respected comrade supreme commander personally attended their performance, thus extending parental love and benevolence by stressing that nothing should be spared for youth, and gave precious teachings that will work as a guideline in the ensemble's activities. They were filled with the firm determination to actively contribute to preparing all youth to be loyalists who defend the great

general with lives, just as young communists who defended and protected the great leader [suryongnim], by vigorously carrying out revolutionary and militant art activities.

DPRK: Foreign Party Leaders Greet Kim Chong-il
SK0403041296 *Pyongyang KCNA in English*
0255 GMT 4 Mar 96

[Spellings of names as received]

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — The Great Leader Comrade Kim Chong-il received messages greeting his birthday from foreign party leaders.

Among them are leader of the Saint Lucia Labour Party Julian Hunte, General Secretary of the Colombian Conservative Party Humberto Zuluaga Monedero, General Secretary of the Central Committee of the Peruvian Communist Party Renan Raffo Munoz, General Secretary of the Socialist Party of Peru Luis Mateo Munos, Chairman of the C.C. [Central Committee], The Nepal Worker-Peasant Party Narayan Man Bijukche, national Secretary General of the Popular Action Party of Peru Jorge Dias Reon, President Rakotovao Andriantiana and General Secretary Gisele Rabesahala of the Party of the Congress for the Independence of Madagascar, national chairperson of the Socialist Progressive Party of Madagascar Rakotomandimby Selestine, Chairman of the Working People's Party of Romania Nicolae Ion Kristian, Chairman of the Danish Workers' Party, Common Cause T. Moller Hansen, Chairman of the Workers' Party of Turkey Dogu Ferincek, Chairman Victor Sanchez Bilagra and General Secretary Ricardo Esti Garribia of the February Revolutionary Party of Paraguay.

The messages extend warmest congratulations to Comrade Kim Chong-il and wish him good health and a long life.

DPRK: Kim Chong-il Receives Foreign Party Leaders Messages

SK0503070596 *Pyongyang KCNA in English*
0341 GMT 5 Mar 96

[All non-Korean names as received]

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — The great leader Comrade Kim Chong-il received congratulatory messages from foreign party leaders on the occasion of his birthday.

The messages were sent by chairman of the Islamic Social Movement of Algeria Seik Mahmud Nahnah, chairman of the New Party of the Congress for the

Independence of Madagascar Richard Andriamanjato, chairman of the Executive Committee of the Working People's Alliance of Guyana Rupert Roopnarine, national secretary of the Malian Movement for the African Independence, Renaissance and Integration Mohamed Lamine Traore, general secretary of the Zairean People's Rally for Socialism Malibia Kateteka, national chairman of the national movement of the Genuine Lumumbist Combatants of Zaire Otete Gaston Mboyo, general secretary of the National Democratic Party of Barbados David Comissiong, president of the Mauritius Communist Party L. Chandramun and secretary general of the Senegalese Democratic League-movement for the party of workers Abdoulaye Bathily.

They extend warmest congratulations to Comrade Kim Chong-il and wish him a long life and good health.

They express the belief that the friendly and cooperative relations between their countries and Korea, their parties and the Workers' Party of Korea will further strengthen and develop.

DPRK: Kim Chong-il Receives More Greetings From Foreign Leaders

*SK0603050896 Pyongyang KCNA in English
0229 GMT 6 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — The great leader Comrade Kim Chong-il received messages of greetings from Julius Maada Bio, head of state and chairman of the National Provisional Ruling Council of Sierra Leone; Jose Eduardo Dos Santos, president of Angola; Qaboos bin Said Al Said, Sultan of Oman; Ernesto Zedillo Ponce de Leon, president of Mexico; Owen Arthur, prime minister of Barbados; and Denzil Douglas, prime minister of St. Kitts-Nevis, on his birthday.

The messages extend warmest congratulations to Comrade Kim Chong-il and wish him a long life in good health.

The messages express the belief that the friendly and cooperative relations between their countries and the DPRK will further develop.

DPRK: Kim Chong-il Thanks Officials, Soldiers, Workers

*SK0403040796 Pyongyang KCNA in English
0251 GMT 4 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — The Great Leader Comrade Kim Chong-il sent thanks to the Ministry of Post and Telecommunications, Nampo Municipal Party Committee and several factories and

enterprises in the municipality, for their contribution to the modernization of telecommunications.

Comrade Kim Chong-il also gave thanks to soldiers of Chae Chin-hun unit and Yi Tong-sop unit of the Korean People's Security Forces, for their positive contributions to the improvement of people's living standard.

His thanks were sent to officials and working people in different domains including Kim Pong-sik, lecturer of the Pae Chong-hui factory, for the good things done for society and the collective.

DPRK: Kim Chong-il Recalls Heroes of 'Height 351'

*SK0403082896 Pyongyang KCNA in English
0818 GMT 4 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — Comrade Kim Chong-il, supreme commander of the Korean People's Army (KPA), gave on-site guidance to a KPA unit defending height 351 in the eastern sector of the front on February 27.

He climbed the peak of the height and saw traces of battles which took place in the period of the fatherland liberation war, recalling with deep emotion how heroically the fighters of the height defended the country at the cost of blood.

The height was a scene of fierce battles in the war.

KPA soldiers who seized the height, which was of great tactical importance, in 15 minutes, repulsed counter-attacks of the enemy sixteen times and killed, wounded and captured a large number of enemy troops. Of the KPA fighters of the height twenty-two were awarded the title of Hero of the Republic. Among them were Kim In-taek and Kim Yong-taek, who silenced enemy machine-guns with their bodies and ensured their fellows' charge.

It was from early June 1953 when the war was at its height that the uninhabited mountain has been known well as a heroic height.

At that time, the height was a strategic point vital to the eastern sector of the front.

So, the enemy fortified the mountain to be "unconquerable" by covering it with double and treble wire entanglements, mines, pillboxes and tunnels with up-to-date military engineering technologies.

But KPA soldiers conquered the height in 15 minutes by displaying matchless mass heroism so as to fully discharge their mission for an operation of the supreme command.

DPRK: Kim Chong-il Praises Military Band Concert

*SKD503230296 Pyongyang KCNA in English
2057 GMT 5 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — The great leader Comrade Kim Chong-il, chairman of the National Defence Commission of the DPRK and supreme commander of the Korean People's Army (KPA), appreciated a concert marking the 50th anniversary of the military band of the KPA Supreme Command on Tuesday.

Present on the occasion were KPA Vice Marshals Cho Myong-rok and Yi Ha-il, Generals Kim Myong-kuk, Kim Ha-kyu and Hyon Chol-hae and other generals and officers of the KPA.

Also on hand were Kye Ung-tae, Choe Tae-pok, Kim Ki-sam, Kim Kuk-tae and Kim Yong-sun, secretaries of the Central Committee of the Workers' Party of Korea.

The concert program included many pieces such as the wind instrument music "National Anthem," "Song of General Kim Il-sung," "Comrade Kim Chong-il, Our Supreme Commander," "Song of the Korean People's Army" and "Thunder on Chong-il Peak."

The concert performers clearly showed the features of the revolutionary, militant art unit by playing well songs of the revolution and struggle which had been sung aloud in the course of the Korean revolution.

The military band is a merited one with a long history and tradition. Over the 50 years since its foundation, the band has successfully performed for 1,922 ceremonies, 33 military parades including that marking the war victory, 44 mass demonstrations and some 7,260 national events held in the presence of the great leader President Kim Il-sung and the respected Supreme Commander Kim Chong-il.

At the end of the concert, Comrade Kim Chong-il highly praised the creating staff and artistes of the band for the concert and congratulated them on the 50th anniversary of the band.

He noted with deep emotion that over the past 50 years the band has remained loyal to the party's leadership, covered a proud militant course, creditably discharged its honorable revolutionary duty and performed great feats for the party and the revolution, the country and the people.

He spoke highly of the achievements of the band, adding that it made revolutionary, militant art activities in every period and stage of the revolution to encourage the KPA and the people in the efforts to build a new country,

defeat the enemy, build socialism and implement the party's military line.

The creating staff and artistes of the band should arm themselves firmly with the party's chuche-based idea of art and literature and perform revolutionary concerts more briskly among soldiers and people, he said, clearly indicating how the band should develop in the future.

DPRK: VNS Says ROK Youth Revere Kim Chong-il

*SKD503093396 Pyongyang KCNA in English
0741 GMT 5 Mar 96*

["General Kim Chong-il Is Outstanding Leader of Youth Movement" — KCNA headline]

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — South Korean young people are warmly revering the Great Leader Comrade Kim Chong-il, according to a report of the Voice of National Salvation (VNS) from Seoul.

Upon the news that the League of Socialist Working Youth of Korea was renamed the Kim Il-sung Socialist Youth League, a student Yi of Usong University, Chonju, said that this is an honor and auspicious event not only for the young people in the North but also for the million students in the South, and he went on:

"General Kim Chong-il is the kind father of the youth and the outstanding leader of the youth movement in the present era because he has enabled the young people who are responsible for eternal prosperity of the nation to have their organisation named after President Kim Il-sung."

Choe In-chol, who works at a consultation office on youth problem, said he could say with confidence that only the North pays every possible effort to the solution of youth problem in the world and that General Kim Chong-il, who loves, trusts and honours young people, the future of the nation, is their great teacher and the sun of love.

An official of the Kwangju-South Cholla Provincial Federation of University Student Councils stressed that the youth can fully display their great zeal and pride only when they are led by a wise teacher. He added that it is the faith and will of the young people in the South that the revolutionary movement and youth movement in the South will certainly achieve victory when they ardently worship and uphold the leader Kim Chong-il with loyalty.

DPRK: Zimbabwean, Malagasy Officials Laud Both Kim's

SK0403090196 Pyongyang KCNA in English
0811 GMT 4 Mar 96

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — Robert G. Mugabe, president of Zimbabwe, and Richard Andriamanjato, chairman of the New Party of the Congress for the Independence of Madagascar and chairman of the National Assembly, met DPRK ambassadors to their countries.

Zimbabwean president said:

"We are happy to see that the Korean people are making great advance in the socialist construction under the leadership of the great leader Comrade Kim Chong-il.

"We support the Korean people in their struggle for the independent and peaceful reunification of the country.

"The friendly relations between Zimbabwe and Korea will further consolidate and develop in the future and Zimbabwe will continue to support the just stand of the government of the DPRK in the international arena."

Richard Andriamanjato noted that the world is moved by the superb wisdom, matchless grit, infinitely noble virtues and lofty moral obligation of the great leader Comrade Kim Chong-il.

He went on:

"The miraculous successes achieved by the Korean people in all fields, political, economic, cultural and military, under the tested leadership of Comrade Kim Chong-il constitute a model for world people.

"We will always remember the solicitude shown by the great leaders Comrade Kim Il-song and Comrade Kim Chong-il for the Malagasy people and do our best to develop the friendly relations with Korea."

DPRK: Members of Agricultural Sector Honor Kim Il-song

SK0503142596 Pyongyang KCNA in English
0926 GMT 5 Mar 96

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — Officials and working people in the agricultural sector laid floral baskets before statues of the Great Leader President Kim Il-song today on the 50th anniversary of the promulgation of the Law on Agrarian Reform in Korea.

Officials of the State Agricultural Commission, the Central Committee of the Union of Agricultural Working People of Korea and the agricultural sector in Pyongyang and agricultural working people in provinces, cities and counties laid floral baskets, bouquets and

flowers and made respects before his statues on Mansu Hill, Pyongyang, and in other parts of the country.

DPRK: Foreigners Lay Flowers Before Kim Il-song's Statue

SK0603053096 Pyongyang KCNA in English
0429 GMT 6 Mar 96

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — Head of the delegation of the Nigerian Government Walter Ofonagoro, minister of information and culture, laid a floral basket before the statue of the great leader President Kim Il-song on Mansu Hill on March 5.

Present there were chairman of the DPRK Information Committee Kim Chol-myong, the members of the delegation and charge d'affaires ad interim of the Nigerian Embassy here J.C. Eziaghighala.

They made bows with deep respect to the president before his statue.

New Croatian Ambassador E.P. [extraordinary and plenipotentiary] to the DPRK Branimir Strenja also laid a floral bouquet and bowed before his statue on the same day.

DPRK: Cuban Printer Publishes Kim Il-song's Answers to CNN

SK0603044996 Pyongyang KCNA in English
0226 GMT 6 Mar 96

[FBIS Transcribed Text] Pyongyang, March 6 (KCNA) — The famous work of the great leader President Kim Il-song "Answers to the Questions Raised by a Delegation of Journalists of the CNN International, the USA" was published in booklet by a printing house of Cuba on March 1.

DPRK Meeting Marks 50th Anniversary of Land Reform Law

SK0403103196 Pyongyang Korean Central Broadcasting Network in Korean
0758 GMT 4 Mar 96

[Central report meeting marking the 50th anniversary of the proclamation of the DPRK Land Reform Law at the People's Palace of Culture in Pyongyang — live]

[FBIS Summary] The 51-minute live relay begins with the announcer noting the DPRK leaders present at the central report meeting, including Vice President Yi Chong-ok, Workers Party of Korea [WPK] Secretaries Han Song-yong and Choe Tae-pok, and other unidentified leaders.

Kang Hyon-su, responsible secretary of the Pyongyang municipal party committee and chairman of Pyongyang

municipal People's Committee, presides over the meeting.

Hong Song-nam, vice premier of Administration Council, delivers a 46-minute report. He praises Kim Il-song for promulgating a law that enabled farmers to become land owners and says the Land Reform Law solves the rural problems by freeing farmers from colonial, feudal oppression because it is a chuche-oriented land reform program that eradicates feudal land ownership. Hong notes that the WPK carried out the "historic land reform tasks" in a short period of time. He enumerates the tasks performed by the WPK, which improved farmers' standard of living, increased grain output, spurred the development of an independent national economy, and encouraged South Korean farmers to fight against U.S. occupation and subjugation.

Hong Song-nam continues with the report by noting that the Land Reform Law lays the foundation for the construction of a new society and brings about a new turn in solving rural problems. He says extensive changes have taken place in rural areas during last 50 years since the proclamation of the Land Reform Law and that the movement for rural cooperative reorganization establishes an advanced socialist rural economic system in the DPRK. Hong explains that fundamental changes took place in the agricultural workers' ideological and spiritual features with the announcement of the Land Reform Law. He says success have been achieved in irrigation, electrification, mechanization, and chemical application and that this freed workers from difficult labor and increased agricultural production. He attributes these successes to Kim Chong-il's leadership. He also hails Kim Chong-il for displaying superiority of cooperative farm management, for realizing socialist rural theses at an early date, for blooming Kim Il-song's ideas on rural development, and for building a prosperous socialist rural area in the DPRK.

Hong urges party members, farmers, and other people to carry out the three revolutions in rural areas so as to complete the socialist cause, to give priority to ideological work in the rural area, to act and think in conformity with the demands of the chuche idea, to uphold Kim Chong-il's ideas on upholding Kim Il-song as leader of revolution down through the generations, to rally around Kim Chong-il so as to cement the socialist political and ideological base, and to perform the task of switching cooperative ownership over to all-people ownership without any deviations. He ends the report by urging people to rally around the WPK centered around Kim Chong-il so as to achieve success in the construction of the socialist rural area.

DPRK Leaders Attend Meeting on Land Reform Anniversary

*SK0503083396 Pyongyang Korean Central Broadcasting Network in Korean
2100 GMT 4 Mar 96*

[FBIS Translated Excerpt] A central report meeting marking the 50th anniversary of the promulgation of the land reform law by the Great Leader Comrade Kim Il-song was held at the People's Palace of Culture on 4 March. [passage omitted describing physical environment of meeting hall]

Appearing on the platform were Comrade Yi Chong-ok, member of the Political Bureau of the Central Committee of the Workers' Party of Korea [WPK] and vice president; Comrade Han Song-ryong, member of the Political Bureau and secretary of the WPK Central Committee; Comrade Choe Tae-pok, alternate member of the Political Bureau and secretary of the WPK Central Committee; Comrade Hong Song-nam, alternate member of the WPK Central Committee and vice premier of the Administration Council; Comrade Hong Sok-hyong, alternate member of the Political Bureau of the WPK Central Committee and chairman of the State Planning Commission; Comrades Kim Chung-nin and So Kwan-hui, secretaries of the WPK Central Committee; Comrade Yun Ki-pok, chairman of the Economic Policy Commission of the Central People's Committee; functionaries of organs concerned; functionaries of the agricultural sector; and labor innovators.

The report meeting opened with the playing of the national anthem.

Comrade Hong Song-nam, alternate member of the WPK Central Committee and vice premier of the Administration Council, delivered a report to the meeting. [passage omitted]

DPRK: 50th Anniversary of 'Law on Agrarian Reform' Marked

*SK0503091796 Pyongyang KCNA in English
0749 GMT 5 Mar 96*

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — March 5 is the day of the promulgation of the Law on Agrarian Reform in Korea. Korea observes the day every year as [a] day of the agricultural working people.

On this day in 1946, the Great Leader President Kim Il-song promulgated the historic "Law on Agrarian Reform in North Korea" as the first step to realize the tasks for democracy after the liberation of the country. In this way the centuries-old desire of the peasants to do farming in their land to their heart's content was realized with credit.

The agrarian reform was enforced and then agricultural cooperativization completed in 1958. The three revolutions, ideological, technical and cultural, have since been promoted more powerfully in the countryside of Korea under the rays of "Theses on the Socialist Rural Question in our Country".

The rural economy has been developed remarkably and the life of the peasants changed considerably. The system of the agricultural tax in kind was totally abolished in the countryside long ago, and the peasants lead a happy life, enjoying benefits from free medical treatment, free education, paid leave and social security, without worries about food, clothing and housing.

Agricultural working people who devotedly work for the country and the people are elected deputies to the Supreme People's Assembly and other power bodies at different levels and take part in the administration of state affairs.

Their labour is worthwhile. Almost all the farming from the tilling of paddy and nonpaddy fields to sowing, transplanting, weeding, harvesting and thrashing is done with the help of machines and chemicals.

Joyful labour is followed by various activities of entertainment every evening. Colorful art circle activities of farmers are conducted at the cultural houses built on modern lines and lectures on the *chuche* method of farming are given and studies of technology are made at the agricultural science and technology knowledge propaganda houses on every farm.

While on the job, many farmers receive higher education at university lecture rooms installed at production sites. At present, each cooperative farm has more than 60 agronomists and associate agronomists on an average, who guarantee scientific farming.

DPRK Papers Mark 50th Anniversary of Agrarian Reform Law

SK0503093196 Pyongyang KCNA in English
0737 GMT 5 Mar 96

[FBIS Transcribed Text] Pyongyang, March 5 (KCNA) — Pyongyang-based papers today dedicate editorials to the 50th anniversary of the promulgation of the historic Agrarian Reform Law by the Great Leader President Kim Il-song (March 5, 1946).

The papers refer to his great achievements for socialist rural construction in terms of praise.

NODONG SINMUN says the law authored and promulgated by Comrade Kim Il-song and the successful agrarian reform marked an epoch-making change in the life of the peasants and a historic event of weighty sig-

nificance in the agricultural development of the country and in the revolutionary struggle of the Korean people.

Pointing to the imperishable exploits performed by President Kim Il-song in successfully guiding socialist rural construction, the daily says:

The respected leader Comrade Kim Il-song, who founded the great *chuche* idea, the guiding idea of the era, gave perfect answers to all the theoretical and practical questions of the present time for the peasant and agricultural issues with energetic ideological and theoretical activities, while leading the revolution and construction. He clarified all the principles to be taken in socialist rural construction. Among them are the original theory on the great Chongsanri spirit and Chongsanri method and theories on the revolutionization and working-classization of the peasants, the socialist transformation of the economic form ahead of technical reconstruction, the three revolutions ideological, technical and cultural in the countryside, gradual transfer of the cooperative ownership to public ownership, town's assistance to the countryside and industry's help to agriculture and guidance to the rural economy in an industrial way.

It is one of his great feats that he published the great theses on the socialist rural question and provided a theoretical and practical weapon for an ultimate solution to the peasant and agricultural issues.

While triumphantly leading socialist rural construction, he saw a radical turn in the development of the nation's rural economy.

We must carry on socialist rural construction always as indicated by the fatherly leader Comrade Kim Il-song in his lifetime, regarding the undying feats he performed for the development of the socialist rural economy as our lifeline.

We must also further consolidate our agricultural position politically and ideologically and in material and technical terms with the might of singlehearted unity around the Great Leader Comrade Kim Chong-il and bring the advantages and invincible vitality of our socialist rural economy into full play.

DPRK: Increased Coal Production Reported

SK0403103696 Pyongyang KCNA in English
0820 GMT 4 Mar 96

[FBIS Transcribed Text] Pyongyang, March 4 (KCNA) — Coal miners of Korea are keeping constant innovations in production.

According to data available, the February plan under the Ministry of Coal Industry was fulfilled at 101

percent. 35,000 more tons of coal than the average daily production in the fourth quarter of 1995 were turned out.

The Kaechon, Sunchon and Pukchang area coal mining complexes overfulfilled their February plans and are now overfulfilling their daily assignments from the beginning of March.

Coal miners across the country produced over 1 million more tons of coal in January than in December last.

South Korea

ROK: 'May 18 Committee' To File Complaint Against U.S.

SK0103141696 Seoul THE KOREA HERALD
in English 1 Mar 96 p 3

[FBIS Transcribed Text] A civic group based in Kwangju yesterday said that it will file a complaint against the United States with the International Court of Justice for allegedly approving plans by former President Chon Tu-hwan to use military force against pro-democracy demonstrators in Kwangju in May 1980.

The civic group, called "May 18 Committee," insisted in a statement, "The U.S. administration approved the plans, even though it had known that Chon and his cronies were trying to suppress the civic uprising in a bid to take power. It is clear evidence for the U.S. government to have been deeply involved in the Kwangju massacre, which claimed over 200 lives."

In the meantime, some 50 members of the National Alliance for Democracy and Unification staged a protest rally in front of the U.S. Embassy in central Seoul yesterday.

In a letter sent to the U.S. Embassy, the alliance insisted, "It is a crime against humanity for the United States to approve plans by Chon and his cronies to suppress pro-democracy demonstrators."

ROK: U.S. Ambassador's Article Views Future ROK-U.S. Relations

SK0603140696 Seoul CHOSON ILBO in Korean
6 Mar 96 p 5

[Article "specially contributed" by James Laney, U.S. ambassador to the ROK, on the 76th anniversary of the founding of CHOSON ILBO: "The Future of ROK-U.S. Relations"]

[FBIS Translated Text] I am glad to have an opportunity to write an article for the 76th anniversary of the founding of CHOSON ILBO, which plays a leading role in conveying news and ideas. Since democracy has reached completion in the ROK, providing the public

with precise and sufficient information about public affairs is more important than ever. CHOSON ILBO is an important medium in this process.

To date, the United States has played an unprecedented role in the ROK, and I hope the United States will continue its constructive role in the future. The United States is presently an important trading partner to the ROK and an important element for the ROK in its pursuit of continuous prosperity. To date, the United States has played the role of guaranteeing the ROK's security, and hopes to continue this cooperation even after the security environment on the Korean peninsula changes. The United States is proud of the ROK's growth toward a mature democracy. The upcoming general elections this spring represent another political development that warrants our congratulations.

In view of the relations between the two countries developed in this spectrum, the peoples of our two countries fully support ROK-U.S. relations. At the same time, we should pay heed to the fact that we absolutely need the support of the peoples of our two countries.

Even though ROK-U.S. relations are mutually advantageous in theory, continuous efforts are necessary to cultivate those relations. Countries with democratic systems like the ROK and the United States cannot maintain their relations without the support of the people, that is, their electorate.

However, it is true that in both countries there is a surprisingly wide gap between the awareness of the general public and the reality of the relations of our two countries divided by the Pacific Ocean. It is important for the ROK and the United States to tell their people the truth about the relations between the two countries in order to secure their support to continue ROK-U.S. relations.

Ambassadors and newspapers play a key role in helping the peoples of their countries communicate with each other. When I am in the United States, I inform the American people about their wrong views concerning the ROK. When I am in Seoul, I inform the ROK people about the points about which I think they hold wrong views about the United States. If we do not correct these wrong views, it could hurt relations between our two countries.

These misunderstandings can be summed up into several subjects, among which the major ones are trade, the presence of U.S. Forces in the ROK, and the ROK-U.S. alliance as regards its relationship with North Korea.

The United States is often described by ROK citizens as a selfish merchant. The truth, however, is that the U.S. market is the most open in the world. To date, the

ROK has been allowed to export its goods to the United States, while the ROK market is closed to U.S. goods. This trade dispute, which is attracting public attention at present, often reflects U.S. efforts to open up the ROK market as much as the U.S. market. This process is far from being unfair, and in fact helps realize the new prestige the ROK has achieved in the world arena through exerting much effort.

U.S. forces, which have been stationed in the ROK since 1950, have played an important role in securing and maintaining the peace. Because peace existed, the ROK was able to achieve remarkable economic and political development. The U.S. Forces Korea (USFK) are still important for defending peace on the Korean peninsula and in Northeast Asia.

The United States and the ROK Government are now discussing revising the Status of Forces Agreement (SOFA) in such a way as to fulfill the ROK people's hopes while reducing the shock and impact on the U.S. military bases resulting from the revision. Press reports exaggerating the injuries and harm caused by U.S. soldiers against ROK citizens misleads the general public as to the essential and mutually benefiting function of the USFK, thus making it more difficult to make reasonable decisions.

In dealing with North Korea, the cooperation between the ROK and the United States has been close and successful. This cooperation will also continue in the future. As President Clinton stated while in Seoul in 1993, the United States supports the principles of reunification of the Korean peninsula based on what the ROK people want and can accept. I hope ROK-U.S. cooperation will be further promoted after reunification. Such cooperation will support the common interest of the two countries in achieving more open trade, democracy, and regional stability.

ROK Ministry Cites U.S. Report on Human Rights in DPRK

SK0703062596 Seoul YONHAP in English
0617 GMT 7 Mar 96

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — South Korea is concerned about the deteriorating human rights situation in North Korea, and hopes that the North is able to enhance human rights, a Foreign Ministry official said Thursday.

The official said, however, that the South Korean Government is not going to comment on a United States Department of State report which concluded that the situation in the North has hit rock bottom, where the basic rights of North Korean can no longer be guaranteed.

"The severe economic difficulties in the North must have contributed to the worsening human rights situation," the official said, and added that the South Korean Government will continue to monitor the situation, and hopes North Korea is able to improve its human rights record.

The official indicated that the North's human rights record is deplorable, and cited the U.S. report which indicated that North Korean people still disappear, either because they have been killed or taken to forced labor camps, and all without due process of law.

In contrast, the U.S. State Department report indicated that the human right situation in South Korea had improved, the official said.

The report did, however, point out that the South Korean National Security Law and labor laws still lag behind international standards in terms of guaranteeing people's rights.

ROK Still 'Heavily Dependent' on U.S. for Engineering Technology

SK0703104696 Seoul THE KOREA ECONOMIC WEEKLY in English 7 Mar 96 p 16

[FBIS Translated Text] Korea still heavily depends upon the United States for engineering technologies, sources at the Korea Engineering Promotion Association (KEPA) said.

Contracts signed for the introduction of foreign engineering technical know-how in 1995 totaled 177 instances involving \$674.84 million, up 7.9 percent in case and 31.8 percent in amount from 164 cases involving \$512 million registered in 1994, the sources said.

Of these 1995 figures, introduction from the United States numbered 90 instances involving \$498.87 million, accounting for 74 percent of the total, the sources said.

On the other hand, imports from Japan reached 24 instances involving \$63.48 million (or only 9.4 percent of the total), those from Germany were 11 instances (or 3.7 percent) involving \$25.07 million (or 3.7 percent), those from France, 15 instances involving \$26.6 million (or 3.9 percent), and those from Britain, 14 instances involving \$38.89 million (or 5.8 percent).

The sharp rise in imports from the United States was ascribed mainly to comparative advantages of U.S. engineering technologies in oil refining and power generation where Korea's facility investments are concentrated, the sources analyzed.

In technical tie-up contracts concluded with US firms in 1995, oil refining accounted for 25 instances, followed by power generation with 20 instances, nuclear power with 13 instances, construction with 12 instances, machinery with eight instances, communications with five instances and environment contracts with three instances, the sources said.

**ROK: DPRK Proposes Signing U.S.-DPRK
'Tentative Agreement'**

SK2802071096 Seoul WEEKLY NORTH KOREAN
TRENDS No. 268 in Korean 26 Feb 96

[FBIS Translated Excerpt] In a press statement by a spokesman for the Foreign Ministry, North Korea proposed signing a U.S.-North Korea "tentative agreement" as an interim measure to be taken prior to signing a U.S.-North Korea peace agreement. [passage omitted on the details of the North Korean proposal]

The spokesman for the North Korean Foreign Ministry released the statement to: pass the blame for the recent tension on the Korean peninsula onto the ROK and the United States; establish a military channel by signing a tentative agreement as an interim measure in consideration of the United States' negative attitude toward signing a U.S.-North Korea peace agreement and holding generals' contacts; improve ties with the United States by using the tentative agreement as a springboard; and cause conflict between the ROK and the United States and break up the ROK-U.S. alliance which maintains that the North and South must solve the problem of guaranteeing peace on the Korean peninsula.

North Korea will maintain its position that the problem of guaranteeing peace on the Korean peninsula must be solved by the United States and North Korea, excluding the South Korean authorities, and emphasize that the Armistice Agreement on the Korean peninsula is impotent. It will also actively launch an offensive to become closer to the United States through discussions on the signing of the tentative agreement.

**ROK: DPRK Operates Steam Locomotives Due to
Energy Shortages**

SKD103112296 Seoul KBS-1 Radio Network
in Korean 0200 GMT 29 Feb 96

[FBIS Translated Text] It has been learned that, prompted by serious energy shortages, North Korea has replaced its diesel and electric locomotives with steam locomotives, and is now operating the latter. The Tongyeong Shipping Company, which has been operating a North-South container sea route connecting Pusan and Najin since last October, settled negotiations with North Korean authorities over cargo transportation

from Najin to Tumen in China by exclusively using container diesel electric train.

However, with North Korea's aggravated electric power shortage, cargo transport trains have been changed to steam locomotive-operated trains. As a result, the train's pulling capacity was reduced, and the time of cargo transportation between Najin and Tumen, which usually required one or two days, now has been extended to four to seven days.

The Tumen Railway Bureau in China is discussing with North Korean authorities the issue of using diesel locomotives, instead of steam locomotives. However, faced with difficulties in obtaining diesel fuel, North Korea is forced to continue operating steam locomotives.

**ROK: World Vision Korea Completes Noodle Plant
in DPRK**

SK0703042096 Seoul HANGUK ILBO in Korean
6 Mar 96 p 2

[Report by Kim Pyong-chan]

[FBIS Translated Text] World Vision Korea announced on 5 March that in cooperation with World Vision International, the organization recently completed a noodle plant in Chongjin, North Hamgyong Province in North Korea. The plant has a monthly production capacity of 600,000 tonnes. The plant will begin supplying noodles to children in nurseries, kindergartens, and people's schools this month.

According to World Vision Korea, the World Vision International's Chongjin noodle plant is able to supply noodles to 32,000 children twice a week (150 grams per meal). The organization plans to build more plants.

A representative of World Vision Korea said: "At the request and with the funds of World Vision Korea, World Vision International signed an agreement with the North Hamgyong Province Administrative and Economic Committee in September 1995 on building the noodle plant. Four noodle machines were sent to North Korea from the PRC earlier this year, and flour is also being imported." The representative added: "World Vision International is negotiating with North Korean authorities on sending personnel to supervise the meal distribution, and on building additional plants."

**ROK: KEDO Plans Negotiations With DPRK on
Reactor Agreement**

SK0703070696 Seoul YONHAP in English
0655 GMT 7 Mar 96

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — The Korean Peninsula Energy Development Organization (KEDO) is going to hold negotiations with North

Korea in late March on implementing the light-water reactor supply agreement, Chang Son-sop, administrator of the office of planning for light-water reactor project, disclosed Thursday.

"But discussions are still underway to iron out differences over the venue of the talks," Chang told reporters.

Pyongyang reportedly wants to hold the meeting in Sinpo, North Korea, the site of the projected light-water reactors, while the KEDO is insisting on New York or Beijing.

The upcoming negotiations will address the consular protection problem to facilitate personnel exchanges, KEDO's legal status and privileges, and guarantees of free communication and passage, according to Chang.

In the meantime, KEDO is scheduled to hold an executive board meeting in New York on or about March 18 that will be attended by Chang, Japanese Nuclear Ambassador Hiromoto Seki and American Nuclear Ambassador Paul Cleveland.

The executive board meeting is expected to decide on a strategy for the follow-up negotiations with the North, finalize construction site selection, and how to finance the light-water reactor project, Chang said.

In the meantime, Cleveland, who has recently replaced Stephen Bosworth as KEDO executive director, is scheduled to visit Seoul Saturday and confer with Deputy Prime Minister and Unification Minister Kwon O-ki.

ROK: 'Political Instability' To Prevent Investment in DPRK

SK0703104796 Seoul THE KOREA ECONOMIC WEEKLY in English 7 Mar 96 p 11

[FBIS Translated Text] Political instability in North Korea is expected to throw cold water on inter-Korean economic cooperation.

According to a recent survey conducted by the Korea Foreign Trade Association (KFTA), 58 percent [out of a] total 100 companies surveyed replied that political instability will prevent them from investing in North Korea.

On their plan for economic cooperation with Pyongyang, 30 percent said they don't know how to prepare for it due to fluctuating inter-Korea relations.

And 14 percent said they are seeking reduction in their investment or will maintain the current level.

The results of the survey imply that inter-Korean trade, which has grown more than 50 percent since 1989, will be hurt hard, the KFTA expects.

An official of the KFTA said, "The current political situation in North Korea is becoming worse than October last year when we conducted the survey. So, most South Korean firms are taking a more serious attitude toward economic cooperation with Pyongyang."

Actually, inter-Korean business projects have come to a deadlock.

The Daewoo Group, which is building a joint venture plant in the Nampo Industrial Complex, is no longer seeing progress with the project since last December when Daewoo's technical staff returned from North Korea.

The Samsung Group, which already sent speaker production facilities to North Korea, hasn't started operation. The LG Group is withholding its plan to produce color TVs in North Korea since it failed to obtain a business approval from the Ministry of National Unification.

Industry analysts said, "Most business groups in Seoul are concentrating their efforts on collecting political and economy-related information in North Korea with their investment projects reserved."

ROK Suspends Approval for N-S Business Projects for 'Time Being'

SK0703104896 Seoul THE KOREA ECONOMIC WEEKLY in English 7 Mar 96 p 11

[FBIS Translated Text] The government will not approve inter-Korean business projects for the time being.

An official of the Ministry of National Unification said, "We believe that it's meaningless to continue inter-Korean economic cooperation projects considering Pyongyang's refusal to talk with us, while reinforcing slander against Seoul."

Furthermore, already approved projects haven't made any progress, and Pyongyang's response hasn't met Seoul's expectation, he added.

Accordingly, the government will not lower the investment ceiling of up to \$5 million for the time being. After watching the results of approved projects, the government will expand the scope and scale of the inter-Korean business project step by step.

If Pyongyang wants more South Korean firms to invest in North Korea, the official pointed out that through inter-government talks, Pyongyang will have to make institutional devices, which include signing of a double taxation avoidance treaty and an investment guarantee treaty.

**ROK: Daewoo Technicians Revisited DPRK
'Recently'**

SK0203091496 Seoul YONHAP in English
0756 GMT 2 Mar 96

[FBIS Transcribed Text] Seoul, March 2 (YONHAP) — The Daewoo Corp. technicians who returned to the South last year end after a business stay in North Korea, revisited the North recently.

Sources at Daewoo and government authorities said Saturday a group of seven technicians flew into North Korea from Beijing on last Feb. 24.

Daewoo technicians first visited North Korea last July to give technical guidance to North Korean workers at joint-venture apparel plants at Nampo.

After about two-months' stay in Nampo, the technicians returned to the South on Sept. 26, of whom five revisited Nampo on Oct. 21.

The technicians have the government permit to stay in the North for a year and to make home visits as they wish during the period.

A Daewoo official said no formal contract for the Nampo estate project has been signed as yet with Samcholli General Co., the North Korean partner in the joint-venture scheme.

**ROK: DPRK To Send 80-Member Team To
Atlanta Summer Olympics**

SK0103133996 (Internet) The Digital Chosun Ilbo
WWW in English 1247 GMT 1 Mar 96

[FBIS Transcribed Text] North Korea has decided to send an 80 or so strong team to the Atlanta Summer Olympics and has requested special dispensation having not participated at various qualifying rounds for a number of the events, Vice-president Jordan of CNN reported Thursday.

Jordan, who visited and met Kwon O-ki, Vice Prime-minister for reunification, said "I have heard from the North Korean Olympic officials that they intend to dispatch 50 competitors and 30 officials and I will relay this fact to the Olympic Organizing Committee in Atlanta".

**ROK: ASAHI SHIMBUN Almanac Says Tokto
Korean Territory**

SK0103070996 (Internet) The Joong-Ang Ilbo WWW
in English 1 Mar 96

[FBIS Transcribed Text] It has been confirmed that Tokto was specifically noted as being Choson (Korean) territory by Japanese newspapers during the period of Japan's colonial rule over the Korean peninsula.

According to the 58th Almanac of the Statistics of the Japanese Empire published in Japan's mass-circulation daily ASAHI SHINBUN Almanac which shows the territory of the Japanese Empire in 1941, the Far Eastern boundaries of Korea were shown as including North Kyongsang Province, Ullung Island, Tokto. This fact was confirmed in the copy of "ASAHI SHINBUN Almanac" (1941) made public by Chairman Kim To-yun of the Kaya Cultural Research Institute on February 29.

**ROK Police Office Considers Turning Tokto Into
Tourist Spot**

SK0703021996 (Internet) The Digital Chosun Ilbo
WWW in English 1157 GMT 6 Mar 96

[FBIS Transcribed Text] The National Police Office Wednesday announced that it intends to ease existing restrictions imposed upon tourist access to Tokto Island in order to make the island more accessible to tourists.

Restrictions to be altered include the reduction from 15 to 10 days advance application period required for a permit to visit the island to be obtained by individuals or groups from the Police Office and the replacement of the requirement that one obtain permission from the Office to sail around the island to the simple giving notice of departure.

The Office is also considering, in consultation with the relevant local province and maritime office, turning Tokto Island into a tourist destination and constructing lodging facilities and toilets there after the construction of landing facilities is completed in 1998.

Last year 916 officials and journalists visited Tokto Island. As of 20 February this year 152 people had visited Tokto.

**ROK: Industry Reliance on Japanese Imports
Noted**

SK0103072796 (Internet) The Digital Chosun Ilbo
WWW in English 1250 GMT 1 Mar 96

[FBIS Transcribed Text] If local industry produces a machine valued at 10 million won it must import 547,000 won worth of materials and parts from Japan.

However, if the same machine is made by a Japanese manufacturer, only 44,000 won of imports are necessary.

If local industry exports 10 million won worth of goods, it must import 744,000 won worth of goods from Japan. However Japan needs only to spend 39,000 won on imports.

According to a report released Thursday by the Bank of Korea and the Japanese Research Institute based on a joint study on the relationship that exists between the industries of both countries, using 1990 as a base starting point, the dependence on Japan by Korean industry is eight times that of Japan on Korea. For every 10,000 won of consumption/export/investment, Korea imports 547 won worth of Japanese goods, producing an import-causing coefficient of 5.47 percent. The coefficient in respect of Japanese required imports from Korea is only 0.44 percent.

ROK, PRC To Consult on Standardizing Bilateral Trade Statistics

SK0403004196 (Internet) The Joong-Ang Ilbo WWW in English 4 Mar 96

[FBIS Transcribed Text] South Korea and China decided that the difference in each other's tallying methods for trade statistics has resulted in unnecessary friction and agreed to consult on ways for improvement during a three-day meeting to be held in Seoul from March 4.

At the "Korea-China's 1st Working Level Meeting on Trade Statistics", the two nations will examine ways to make compatible each other's criteria for tallying trade statistics as well as the scope of tallied statistics and decisions on prices according to customs tariff law.

ROK-Russia Joint Corporation To Employ 300 DPRK Workers

SK0203043596 (Internet) The Joong-Ang Ilbo WWW in English 2 Mar 96

[FBIS Transcribed Text] A joint corporation formed between South Korea and Russia will employ 300 North Koreans in May and start rice farming on farm land covering 6,000 pyong (7,117 square feet).

This marks the first time North Korean workers are to be employed by a South Korean firm, albeit a joint corporation.

Chairman Yi Pyong-hwa of the International Agriculture Development Institute announced on Friday March 1 that "a South Korea-Russia joint venture has recently indicated its intention to hire 300 North Korean workers."

ROK: Russia To Send Tanks, Armored Vehicles as Payment for Loans

SK0203043796 (Internet) The Joong-Ang Ilbo WWW in English 2 Mar 96

[FBIS Transcribed Text] About 30 Russian-made armored vehicles (BMP-3) will be brought into Korea for the first time in August. The BMP-3 armored vehicles

will arrive in Korea together with T-80U tanks, anti-tank missiles and mobile anti-aircraft missiles.

They are being supplied in lieu of cash payment for loans Korea had supplied to Russia in economic cooperation. The two countries had previously agreed that Korea will accept part of the loan payment in the form of weapons.

ROK: Ships Sailing Near Taiwan Alerted on PRC Missile Tests

SK0703065696 Seoul YONHAP in English 0646 GMT 7 Mar 96

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — With China slated to conduct guided missile tests off Taiwan's coast March 8-15, ships passing through the area are required to be on the alert during this period, the Korea Maritime and Port Administration (KMPA) said Thursday.

The missiles are scheduled to hit waters 35 miles west of Gaoxiong, a city on Taiwan's southwestern coast, and 40 miles east of Jilong, which is on the northern tip of the country, according to the KMPA.

The impact areas are close to container-cargo ships routes to and from Hong Kong, one of the world's largest container-cargo handling ports.

Six South Korean shipping firms, including Hanjin and Hyundai, provide regular container-cargo services on this route, while two others, pan-ocean and Duyang, run bulk-cargo ship services on an irregular basis.

Taiwan ranks fourth worldwide in handling ocean-going freight, with many South Korean ships docking at ports there.

Shipping companies will not have to suspend cargo services to and from Taiwan and its vicinity because of China's missile tests, government officials said, but ships should be on the alert when nearing missile impact areas during such exercises.

ROK, Canada Initial Accord on Social Security Tax Exemptions

SK2902063796 Seoul YONHAP in English 0508 GMT 29 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 29 (YONHAP) — South Korea and Canada initialed an agreement Thursday on the exemption of social security tax for those staying in each other's country for less than five years, a Foreign Ministry official said.

The Quebec Province of Canada operates an independent social security system so South Korea will need

separate talks with Quebec provincial authorities on a similar agreement, the official said.

About 130 South Koreans are working for Korean firms in Canada, with most of them staying there for less than the minimum period needed to be eligible for social security benefits, which is five years. This has resulted in the loss of their monetary contributions to the Canadian social security system.

Seoul signed a similar agreement with the United States in November 1995, and is seeking such arrangements with other nations as well.

ROK: Finnish Finance Minister Encourages Korean Investment

SK2902113296 Seoul YONHAP in English
0550 GMT 29 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 29 (YONHAP) — Finnish Finance Minister and Deputy Prime Minister Sauli Niinistö, stressing both the political and economic stability of his nation, encouraged Korean investment in Finland Thursday.

Speaking in the "invest in Finland" seminar at the Hotel Lotte in downtown Seoul, Niinistö noted the "strong resource base of the Finnish economy, including a highly educated labour force, large and well-kept forest resources, and a modern industry as well as a stable political system."

In wooing Korean businessmen to Finland, he also boasted that his nation's inflation rate, about 1 percent last year, is the lowest among Organization of Economic Cooperation and Development (OECD) nations and that its growth rate, about 4.5 percent in 1994 and 1995, is one of the highest.

The Finnish minister was scheduled to have talks with his South Korean counterpart Na Ung-pae later in the afternoon to discuss bilateral cooperation and direct investments between the two nations, the Korean and Finnish economies, and South Korea's application for OECD membership.

Niinistö also indicated that his nation is well-versed in financial dealings with Russia and could be a "gateway" for foreign firms interested in doing business with the world's largest country.

South Korea exported 300 million U.S. dollars worth of goods to Finland last year while importing 500 million dollars worth of Finnish goods, according to Finnish Ambassador to South Korea Jorma Julin.

About 60 percent of the South Korean Finnish imports were high-tech products, including industrial automation and robotics, shipbuilding and forestry supplies, ac-

cording to Julin. It was also noted that there are two Finnish-owned paper mills in South Korea as well as a Nokia cellular phone factory in Masan.

Helsinki established diplomatic ties with Seoul and Pyongyang simultaneously in 1973.

ROK Plans Investment Projects in Croatia, Slovenia, Yugoslavia

SK0503060196 Seoul THE KOREA HERALD
in English 5 Mar 96 p 8

[FBIS Transcribed Text] Korea's participation in the infrastructure projects in Croatia, Slovenia and Yugoslavia is expected to expand further in the near future.

A Korean economic mission, led by Pak Yong-to, president of the Korea Trade-Investment Promotion Agency (KOTRA), staged negotiations last month with their counterparts in the three nations on investments and exports worth \$739 million and \$81 million, respectively, a KOTRA spokesman said yesterday.

During the visit, the government-private joint mission met with high-ranking government officials of Croatia and Slovenia to discuss mutual investments and trade, he said.

Croatia promised to send an economic mission to Korea this year, and Slovenia expressed an intention to jointly participate in the reconstruction projects in Bosnia with Korea, the spokesman said.

Meanwhile, Yugoslavia has suggested that Korea and Yugoslavia sign an economic and trade accord and establish an economic cooperation committee in the near future.

The Korean mission also negotiated with Croatia a \$30 million project to modernize the Rijeka port.

ROK, Canada To Cooperate on Geographic Systems Techniques

SK0603124696 Seoul YONHAP in English
1150 GMT 6 Mar 96

[FBIS Transcribed Text] Seoul, March 6 (YONHAP) — A memorandum of understanding (MOU) was signed Wednesday between the Systems Engineering Research Institute (SERI) of South Korea and Geomatics Canada on cooperation in geographic systems techniques.

Canadian Ambassador to Seoul Michel E. Perrault and institute director Kim Mun-hyon signed the MOU in a brief ceremony at the Seoul Plaza Hotel.

Geomatics Canada is a federal agency responsible for geographic information systems (GIS), remote sensing, surveying, and mapping.

The signing followed a seminar that featured presentations by six experts from various geomatic-related fields. It was co-hosted by the Korea Geographic Information Industry Cooperative and the Canadian Embassy.

The presentations included the North American nation's experience with GIS, the use of satellite information for environmental purposes, and the use of GIS for natural resource development.

ROK: British Embassy Receives Bomb Threat; No Explosives Found

*SK0703004696 Seoul YONHAP in English
0038 GMT 7 Mar 96*

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — The British Embassy in Seoul received a telephone call from an unidentified man at around 2:35 PM Wednesday, alleging that a bomb had been planted in the embassy compound.

An embassy employee identified as Ms. Chin told the police that a man in his 40s told her in fluent English, that "two bombs have been planted in the embassy compound. Everyone should leave the building."

After the entire staff had left the building, approximately 150 police rangers and explosives experts spent about three hours searching the compound for explosives.

Because no explosives were found, the police suspect that the bomb threat was a hoax. They speculate that the perpetrator might have been someone who harbors a grudge against Britain.

The police have beefed up security around the embassy compound in case of a possible emergency.

ROK: Sudanese Foreign Minister Arrives for Working Visit

*SK0603030896 Seoul THE KOREA HERALD
in English 6 Mar 96 pp 2, 5*

[FBIS Transcribed Text] Sudanese Foreign Minister Ali 'Uthman Taha arrived in Seoul yesterday for a three-day working visit here.

Shortly after his arrival, the minister met with Chong Chu-nyon, president of the Korea International Cooperation Agency (KOICA), which implements Korea's grant programs for developing countries.

During their meeting, Taha and Chong discussed South Korea's cooperation with the African country's development efforts.

Taha is scheduled to meet with Deputy Premier and Unification Minister Kwon O-ki and Foreign Minister Kong No-myong today to discuss regional situations and bilateral cooperation.

He is expected to seek understanding on Sudan's position in the international community from South Korea which became a nonpermanent member of the U.N. Security Council for the term of 1996-97.

Taha is also scheduled to attend a luncheon meeting hosted by Kong and an evening reception. Sudanese Ambassador to Seoul Yithaya Acol de Dut will hold for him.

South Korea financed the construction of a vocation training center in the Sudanese capital of Khartoum, which opened in January.

South Korean officials, including KOICA President Chong was present at the center's opening ceremony which was also attended by Sudanese President al-Bashir and Labor Minister Al Tayeb [name as received].

South Korea is supposed to spend \$4.5 million over 1992-96 on building and operating the center, while Sudan provided for the site.

The training facility will annually churn out about 400 skillful workers in the four areas of computer, electronics, auto maintenance and sewing.

South Korea plans to hold the second session of a joint economic commission with Sudan in the first half of this year.

The commission was inaugurated in Seoul in 1991.

ROK: NCNP To Push 'Economy-First' Policy

*SK0603123496 Seoul YONHAP in English
1005 GMT 6 Mar 96*

[FBIS Transcribed Text] Seoul, March 6 (YONHAP) — Kim Tae-chung, president of the opposition National Congress for New Politics (NCNP), said Wednesday that his party will push for an "economy-first" policy, including bailouts of financially ailing small businesses, extensive tax reforms and price stabilization.

"If the NCNP can faithfully carry out its economic policy, the nation will be able to be ranked among the world's top five economies, along with the United States, Japan, China and Germany, in the early 21st century," he said.

Kim made the remarks, blasting the three-year rule of President Kim Yong-sam thus far as being "a failure in its entirety despite some partial and temporary successes."

The NCNP head was speaking at a debate sponsored by the Kwanhun Club, a senior journalists' organization, at the press center in downtown Seoul. Leaders of the

ruling and opposition parties have been invited to voice their views on current national affairs.

In his speech, Kim urged the government to ultimately halve the value-added tax rate from the current 10 percent to 5 percent, so as to lessen the tax burden on the middle class and low-income people.

He said that earned income taxes should be separated from global tax, and that each tax bracket be expanded. He also maintained that corporate and business income taxes should be lowered.

Kim stressed the need to set up both a ministry to map out and administer plans to support small businesses and a special committee for small firms under the direct control of the chief executive.

He suggested ways to bolster small businesses, such as the expansion of credit, establishment of a large-scale technology center, and training of special manpower.

Conglomerates must be effectively kept in check from branching out into fields chiefly dominated by smaller firms, Kim said, and that the issues of monopoly, oligopoly, and unfair trade concerning the Chaebols be strictly dealt with.

He added, however, that the government should aid large business groups through full-scale deregulation.

On price stabilization, the opposition leader emphasized the implementation of a consumer rating system to prevent rash increases in costs for public services, including utilities and transportation.

ROK: Six Lawmakers Switch Affiliation From DP to NCNP

SKD203112596 Seoul YONHAP in English
1105 GMT 2 Mar 96

[FBIS Transcribed Text] Seoul, March 2 (YONHAP) — Six lawmakers who were on paper with the Democratic Party (DP) but have in effect joined the major opposition National Congress for New Politics (NCNP), formally switched their party affiliation from DP to NCNP Saturday.

The six were Na Pyong-soa, Kim Chung-hyon, Chang Cho-sik, Pak Chong-hun, Kim Ok-tu and Namgung Chin. They all were elected under the national proportional representation system on the pre-split Democratic Party ticket.

The change of their affiliation came two days before the NCNP is to announce the selection of its nominees for the coming general elections. All of the six were seeking NCNP nomination.

Their departure leaves only three solons who still keep dual party membership. They are Kim Ok-chun, Pae Ki-sun and Kuk Chong-nam.

By law a lawmaker who quits a party on his own automatically loses his legislatorsip, which has been one major factor behind their hitherto keeping of dual party membership.

ROK Labor Minister: Move To Politicize Unions 'Anachronistic'

SKD603124396 Seoul YONHAP in English
1122 GMT 6 Mar 96

[FBIS Transcribed Text] Ulsan, March 6 (YONHAP) — Labor Affairs Minister Chin Nyom Wednesday categorically rejected as "anachronistic" the move of some union leaders to politicize labor unions.

"The plan of some union leaders to create a political party among unionists or to demand social reforms cannot earn public support and would only become an obstacle to smooth labor-management negotiations," Chin said.

The labor minister made the remarks while meeting with union leaders of the Hyundai Motor and Hyundai Heavy Industries Cos. here in Ulsan during his first visit here as labor minister.

When union leaders asked him to try to legalize the Democratic Union Federation, reinstate dismissed unionists and revise the labor law, Minister Chin made it clear he cannot accommodate their requests.

"In a circumstance where there is no consensus on such steps among management, labor and the public, we have no way but to abide by the existing statutory order," he said.

The minister then urged the union leaders to forge a new labor-management relationship that values dialogue more than struggles.

In a subsequent press interview at the Ulsan District Labor Affairs Office, Minister Chin said his ministry would study giving workers the right to choose health clinics on their own when they undergo routine health checkups.

He aired the plan, pointing to a controversy over the issue of fairness of health checkups of the employees of major shipyards.

"It is true that the authenticity of health checkups can be questioned when they are made by hospitals affiliated with the same business conglomerates," he said.

ROK Ministry of Defense To Purchase Air-to-Surface Missiles

SK0203053496 (Internet) The Digital Chosun Ilbo
WWW in English 1318 GMT 1 Mar 96

[FBIS Transcribed Text] The Ministry of Defense (MND) has plans to purchase air-to-surface missiles with a maximum range of 100 kilometers that can precisely hit targets while being out of range of the North's surface-to-air missiles it was learned on Friday. A high-ranking official of the Defense Ministry said, "These missiles, able to destroy most strategic targets in the North, will greatly improve our striking power."

ROK: NPC Adopts Recommendations to Government on EEZ Declaration

SK2902050096 Seoul THE KOREA TIMES in English
29 Feb 96 p 8

[FBIS Transcribed Text] Representatives of the nation's fisheries cooperatives yesterday called on the government to take measures to minimize possible damage to fishermen following the declaration of exclusive economic zones (EEZs) by neighboring nations.

In a general assembly meeting at the headquarters of the National Fisheries Cooperatives (NPC), 84 leaders of the cooperatives from across the nation adopted a five-point recommendation to the government.

The declaration of the 200-nautical-mile EEZ by surrounding nations, like Japan, is expected to hurt the off-shore fishing industry considerably, they said.

They called on the administration to fully reflect the fishermen's opinions in taking steps toward the reorganization of the fishing industry and to prepare to compensate them sufficiently.

They also mentioned the need for reciprocal fishing arrangements for areas within EEZ's.

To cope with the chronic shortage of labor faced by the off-shore fishing industry, they urged the administration to allow more foreigners to work aboard fishing boats.

They also approved the NPC's 1995 business settlement totalling 4.327 trillion won in the assembly meeting which was attended by Minister of Agriculture, Forestry and Fisheries Kang Un-tae, NPC president Pak Chong-sik and other relevant personalities.

ROK Selected as Venue for 3d ASEM Scheduled for Year 2000

SK0203001896 Seoul YONHAP in English
0924 GMT 1 Mar 96

[FBIS Transcribed Text] Bangkok, March 1 (YONHAP) — South Korea has been selected as the venue for the

third Asia-Europe Meeting (ASEM) slated for 2000 at the first-day session of the first ASEM, which opened Friday here.

At the session, South Korean President Kim Yong-sam hoped to hold the third ASEM in Seoul, and president of the first ASEM [Banham] Sinlapa-acha presented Kim's idea to attending 25 Asian and European heads of state, who later accepted the proposal.

Accordingly, Banham officially declared, "Following the first ASEM in Bangkok this year, the second ASEM in 1998 is to be held in London, and the third ASEM in Seoul in 2000."

Kim's entourage evaluated that South Korea's opening of the Asian and European leaders' forum will greatly raise its international status as well as its external image as free trade nation.

ROK Financial Markets 'Sufficiently Open' for OECD Membership

SK2902031696 Seoul YONHAP in English
0152 GMT 29 Feb 96

[FBIS Transcribed Text] Paris, Feb. 29 (YONHAP) — The South Korean financial market has been judged to be sufficiently open by the Organization for Economic Cooperation and Development (OECD), overcoming one of the main hurdles to becoming a member of the Paris-based club of advanced economies.

The Committee on Financial Markets (CFM) concluded, at a meeting held in Paris Feb. 26-28, that South Korea has opened its financial markets wide enough to qualify for OECD membership.

The committee examined the Korean financial policies, including those regulating the money supply, interest rates, foreign exchange rates and banking and securities services, and determined that they meet the OECD's liberalization requirements, a conclusion that will influence upcoming examinations by the committees on Capital Movement and Invisible Trade (CMIT) and International Investment and Multinational Enterprise (CIME) scheduled for April.

Following the joint CMIT-CIME meeting in April, that is being convened to examine Seoul's plans for investment and trade deregulation, the CFM will submit its official report on South Korea's financial sector to the ministerial council, the governing body of the OECD.

Seoul was represented by Deputy Finance and Economy Minister Sin Myong-ho at the CFM meeting which ended Wednesday, and announced earlier this week a plan to raise the ceiling on foreign stock investment

from the current 15 percent of a given company's capitalization to 18 percent in April.

ROK: Investment Firms To Launch Funds Exclusively for Foreigners

SK0503072296 Seoul YONHAP in English
0107 GMT 5 Mar 96

[FBIS Transcribed Text] Seoul, March 5 (YONHAP) — Investment trust companies will launch investment funds totaling 230 million dollars exclusively for foreign investors in March.

The three Seoul-based companies each will sell a 50-million-dollar stock investment fund and two provincial firms will each sell a 40-million-dollar bond investment fund.

The investment fund is a Korean version of the U.S. mutual fund and it invests in both stocks and bonds for profits to be distributed among its shareholders.

The three stock investment funds will invest at least 80 percent of their money to be raised by selling shares, called beneficiary certificates, in the stock market. These funds are expected to invest a combined total of 100 billion won in the stock market.

Up until last year, investment trust companies would launch new investment funds for foreigners in April. But because the government plans to raise the foreign stock investment limit from 15 percent to 18 percent of a company's capitalization in April, companies have advanced their start-up date to March.

The ceiling on investment funds for foreign investors has been set at 900 million dollars this year — 600 million dollars for the three Seoul-based investment trust companies and 300 million dollars for provincial firms.

ROK Records Lowest Unemployment Rate in World

SK0703022996 (Internet) The Joong-Ang Ilbo WWW
in English 7 Mar 96

[FBIS Transcribed Text] According to a report on world unemployment rates released by the International Labor Organization (ILO) on March 5, South Korea recorded the lowest figure in the world with a mere 1.8 percent.

Economists generally agree that a 2 percent unemployment rate signifies a perfect state of employment. Statistics indicate South Korea has reached such a state. On the other hand, Spain recorded the highest rate of unemployment with 22.7 percent (during the 3rd and 4th quarter in 1995).

ROK Tax Administration Imposes Severe Tax Evasion Penalties

SK0703023396 Seoul YONHAP in English
0127 GMT 7 Mar 96

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — The national Tax Administration (NTA) imposed 1.34 trillion won (1.7 billion U.S. dollars) in tax evasion penalties on 1,917 businesses with yearly sales of 10 billion won or more between 1992 and June of last year.

The figure includes 236.9 billion won for 408 firms in 1992, 436 billion won for 566 firms in 1993, 467.7 billion won for 652 firms in 1994 and 205.2 billion won for 291 firms in the first half of last year.

Most of the firms involved either tried to evade taxes by using fictitious cost-accounting to divert company funds into "confidential" accounts, or unlawfully distribute company stock to their owners' children, NTA officials said.

Tax auditors target big companies, especially the nation's 30 largest business groups and their affiliated companies, they added.

The audits are conducted at least once every five years.

ROK Plans To Impose Education Tax on Cigarettes

SK0603030596 Seoul YONHAP in English
0118 GMT 6 Mar 96

[FBIS Transcribed Text] Seoul, March 6 (YONHAP) — Cigarette prices will rise by an average of 20 percent during the second half of the year when an education tax is to be imposed on smokers, according to the Finance and Economy Ministry.

Presently, a 460-won consumption tax is levied on a pack of cigarettes, but beginning July 1, an education tax amounting to 40 percent of the consumption tax (184 won) will be imposed. Smokers will then pay a 644-won tax on every pack of cigarettes they buy.

With the tax increase, the state-run monopoly Korea Tobacco and Ginseng Corp. is studying plans to raise cigarette prices, taking into account how much in profits it should earn and the profit margin it should allow for retailers, ministry officials said.

Lower-priced cigarettes including "Sol (pine)" and "Chongja (celadon)," however, will retain their present prices, they added.

The price hike, coupled with the government's anti-smoking campaign, is slated to drive smokers further into a corner.

ROK To Set Different Guidelines for Allocation of PCS Licenses*SK0703061996 Seoul THE KOREA TIMES in English
7 Mar 96 p 8*

[FBIS Transcribed Text] The three personal communication service (PCS) licenses will be allocated differently.

One will go to Korea Telecom, which will have to set up a subsidiary to undertake the business, another will go to a consortium led by a telecom equipment manufacturer and the third will be reserved for a consortium led by a non-manufacturer, Information and Communication Minister Yi Sok-chae said yesterday.

He said, "The government has decided to set three different sets of guidelines on PCS licenses to prevent the four major telecom equipment manufacturers from possibly monopolizing them and to encourage many companies to take part." The four major makers are Samsung, Hyundai, LG and Daewoo.

Korea Telecom will be obligated to set up a subsidiary firm which will have to invite a large number of firms to participate in its PCS project, Minister Yi said in revised guidelines on some 30 licenses to be issued in June in six telecom divisions.

In the initial guidelines released on Dec. 15 last year, the government had said it would give a PCS license to Korea Telecom without preconditions in order to show support for this key government communications firm and two other licenses regardless of the licensee's status as maker or non-manufacturer of telecom equipment.

The largest shareholder in the long-distance telephone call service license will be banned from owning more than 10 percent to allow more participation of firms in accordance with the current law, Yi said, adding that ownership and management will be separated as it has been in Dacom Corp. which is one of two international phone service providers in Korea.

In cases where the money contributed to the government by two or more individual applicants is the same, the applicant scoring the most points in the initial document screening will be the final taker of the PCS, trunked radio system (TRS), international call service, CT-2 and two other telecom licenses.

In the Dec. 15 ground rules, those who qualified in the document test were to be chosen by lottery provided their contributions to the telecom fund were equal but under the ceiling.

All consortia in the six sectors will be composed of as many large, medium-sized and small firms alike, Yi said.

PCS consortia will be encouraged to do business by region based on a single company of the same technology and same standard so that non-governing shareholders can get experience in the telecom business.

The applicants will have to submit programs that boost small and medium-sized manufacturers of telecommunications equipment and software companies.

Fund raising methods will also have to be specified in application documents, and may include increases of paid-in capital, the sale of existing firms as well as loans.

Corporate morality will be reflected in scoring applications. Tax evasion, violation of the Monopoly Regulation and Fair Trade Act and other immoral activities will count against applicants.

The number of participants in the consortium, the firms taken over by the firms joining the consortium and new business lines undertaken by them in the past five years will also be considered in the screening.

The government will post the revised guidelines on both Chollian and HITEL at 4 P.M. and may be accessed using the same keyword, "GO MIC."

ROK Plans To Join Chemical Weapons Convention*SK0503071196 Seoul YONHAP in English
0501 GMT 5 Mar 96*

[FBIS Transcribed Text] Seoul, March 5 (YONHAP) — South Korea is pushing forward with plans to join an international convention to thwart the spread of chemical weapons during the latter half of the year, a Foreign Ministry official said Tuesday.

Forty-seven countries have already ratified the Chemical Weapons Convention (CWC) as of early March, and the CWC will take effect as soon as 65 countries ratify it.

South Korea signed the convention in 1993 but has yet to receive ratification from its National Assembly.

A special team from the CWC Secretariat will soon inspect domestic chemical manufacturers here to ensure that they observe international standards for chemical production as a precondition for convention admission, the official said.

The Foreign Ministry, after conducting a survey last year of seven local companies who will be subject to CWC inspections, has concluded that Seoul joining the convention would not seriously damage the country's chemical industry, the official said.

Japan has already presented its ratification to the CWC while the United States has pledged to submit its ratification by the end of June.

ROK: Communications Problems Due to Sun Possible 3-9 Mar

SK0203051196 (Internet) The Joong-Ang Ilbo WWW in English 28 Feb 96

[FBIS Transcribed Text] Regular international callers should be prepared for possible difficulties in international communications which are expected to take place during the week of March 3-9 due to jamming from the sun.

Korea Telecom (Chairman Yi Chua) announced on February 27 that overseas calls between countries using a satellite orbiting above the Pacific Ocean including the United States, Australia and Hong Kong will experience communication jams and disconnections from 8:52 a.m. [2352 GMT] for 8 minutes during this period and those between countries using a satellite above the Indian Ocean such as China, Europe and the Middle East from 5:09 p.m. [0809 GMT], again for eight minutes. Such troubles occur due to the strong radio waves from the sun when the sun, the satellites and ground station antennas come together in a straight line twice a year in spring and autumn.

ROK Retired Military Officers Give Negative Assessment of Reform

SK0703054296 Seoul CHOSON ILBO in Korean 6 Mar 96 p 47

[FBIS Translated Text] It was revealed on 5 March that 53 percent of retired high-ranking ROK military officers above the rank of colonel, including general officers, gave a negative assessment of the incumbent government's military reform, while 75.9 percent believed that the ROK's nuclear armament is necessary.

It was also revealed that 83.5 percent of them think that the ROK's military power is still inferior to that of North Korea; 59.8 percent believe that the ROK-U.S. Status of Forces Agreement is unfair, and 26.2 percent think that the ROK-U.S. Mutual Defense Treaty is unequal. This was revealed in a poll conducted by Mok Chia-hyu, professor of political science in the Kukmin University, toward the end of last year at the request of the ROK Military Affairs Research Institute, an organization affiliated with the Ministry of National Defense. The poll was conducted over the mail among 1,343 retired high-ranking ROK military officers above the rank of colonel, including generals, on their awareness of impending national defense issues. Three-hundred and twelve of them (including 262 retired generals) responded to the poll.

Up until now, this type of poll on the awareness of high-ranking retired military officials of national defense issues had been conducted unofficially within

the military only on a few occasions. This is the first time a civilian scholar has conducted such a full-scale research.

The current poll included topics on the military security environment; the ROK-U.S. military cooperation system; national defense budget; military-civilian relations, and measures for renovating military discipline. The result of the analysis indicated that 36.4 percent of high-ranking retired officers pointed out that the national defense budget was used incorrectly, thus criticizing the operation of the national defense budget. Meanwhile, 95.4 percent of the respondents emphasized that the civilians' image of the military should be improved.

ROK: Prosecution To Subpoena Ex-President Choe To Testify

SK0703035296 Seoul YONHAP in English 0247 GMT 7 Mar 96

[FBIS Transcribed Text] Seoul, March 7 (YONHAP) — Public prosecutors decided Thursday to subpoena former President Choe Kyu-ha to testify as a witness in the the Dec. 12 and May 18 trials.

"Choe's testimony will be our number one priority during the trial," according to an investigator at the Seoul District Prosecutor's Office. "We will soon make our final decision about when to subpoena Choe."

After Choe is subpoenaed he will have to testify along with his successors, former Presidents Chon Tu-hwan and No Tae-u, about the political turbulence created by the Dec. 12 military insurrection in 1979 and the May 18 brutal suppression of pro-democracy uprising in Kwangju in 1980.

Prosecutors are expected to question Choe about whether or not there was any pressure from the "new military elites" during that period, which allegedly forced him to step down as president, prosecution officials said.

Prosecutors have so far been unable to question Choe about the two military incidents, in spite of their repeated visits to his residence to obtain his testimony.

The public trial sessions on the two incidents will open Monday and will be held every week in March, officials at the Seoul District Court have said.

ROK: Ex-President Chon To Return to Anyang Prison 'Soon'

SK2802042196 Seoul YONHAP in English 0230 GMT 28 Feb 96

[FBIS Transcribed Text] Seoul, Feb. 28 (YONHAP) — The Justice Ministry said Wednesday that former

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President Chon Tu-hwan will be sent back to Anyang penitentiary soon from the Police Hospital where he has been receiving treatment for ailments related to his three-week fast.

Since he is still in good shape after a long court hearing Monday, he should be able to withstand prison life, a ministry official said.

After consulting with his doctor, he will be sent back to the prison in Anyang perhaps as soon as this week, he added.

He has been in the hospital for more than two months, which has meant an added burden for police officers assigned to insure his safety.

To relieve police officers of this burden and their obligation to escort him to court to be tried on charges related to the 1979 military mutiny and 1980 Kwangju incident, he will be moved to Anyang penitentiary soon, he explained.

Burma

Burma: Khun Sa Arrives in Rangoon Amid Doubts Over MTA Troops

BK0603042696 Bangkok BANGKOK POST
in English 6 Mar 96 p 2

[Report by Subin Khunakao]

[FBIS Transcribed Text] Khun Sa arrived in Rangoon on Saturday under military escort after being told he will not be extradited to face drug charges in America.

The heroin warlord capitulated to Rangoon this year after he struck deals with the State Law and Order Restoration Council [SLORC], including a guarantee he would not be extradited.

Since he surrendered with his Mong Tai Army [MTA], he has remained at his Ho Mong base despite reports he had established himself in the towns of Taunggyi or Lashio.

A source said: "This will be the first time Khun Sa has left the MTA to go to Rangoon. He will stay at a house arranged by the SLORC on Aye Road in a plush suburb occupied by diplomats, businessmen and people close to the junta."

Khun Sa, 61, alias Chang Chi-fu, was accompanied by his son Lt-Col Jambeung, former director of the MTA academy. It was also reported that Col Chang Seuchuan, his close aide, had left for Rangoon on Monday.

Since the surrender, the SLORC had sent doctors to Ho Mong to treat Khun Sa, who suffers from high blood pressure and nephritis.

Despite the capitulation, the SLORC still has doubts about the number of MTA troops who defected to Rangoon. Khun Sa put the figure at more than 20,000, while the SLORC said there were 5,000.

A 500-strong SLORC force sent to guard Ho Mong discovered a cache of weapons and chemicals used for heroin production, fuelling speculation that he was summoned to Rangoon to offer an explanation.

Despite the SLORC presence in Ho Mong, heavily-armed MTA soldiers who refused to surrender have been operating in nearby border areas, said Fourth Infantry Division Commander Lt-Gen Prayut Thapcharoen.

The soldiers, who had set up a base near Yong, north of Tachilek, were understood to be led by Major Jaikham, an adopted son of Khun Sa.

Lt-Gen Prayut said: "The border is not so tense now but if foreign troops intrude, they will face the Narayan Task Force."

On Wednesday, an MTA unit set up a roadblock along the Mae Hong Son-Chiang Mai route and robbed passengers aboard 14 buses before escaping to Burma, he added.

An aide to Khun Sa expected the SLORC to accept an explanation from Khun Sa, who in turn was confident the junta would clear up border pass problems to facilitate his logging interests.

The SLORC, which had let the MTA process teak in its area to generate income during the initial stage of integration, has said it would fund development of the area.

According to the source, logs and processed wood worth hundreds of millions of baht have been hauled to Ban Namon, opposite Mae Hong Son and Arunothai in Chiang Dao, Chiang Mai.

Burma: Khun Sa's Ho Mong Force Merges With Government Force

BK0503154496 Bangkok PHUCHATKAN in Thai
5 Mar 96 p 5

[Report from Indochina Center]

[FBIS Translated Text] A foreign relations officer of the Shan State told PHUCHATKAN that Mong Tai Army - MTA/ [previous four words in English] under the leadership of Khun Sa has been transformed into Ka Kwe Ye-kky [previous three words in roman alphabet] militia volunteer unit and placed under the command of the Burmese armed forces. The Burmese military command headquarters in Ho Mong approved the MTA transformation late last month.

Sao Cham Heong, a son of Khun Sa, was appointed commander of the new militia unit comprising 3,000 men whose responsibility is to look after the areas along the border with Thailand. The operation of this unit is under the supervision of the Eastern Military Command in the Shan State under the command of Brigadier General Tin Htut.

Following Khun Sa's surrender to the Burmese Government, the MTA was disbanded and its strongholds along the border with Thailand were handed over the government troops in compliance with the agreement Khun Sa signed earlier with the government. A number of MTA soldiers who refused to be under the Burmese Government fled to join the MTA remnants under the command of Colonel Quayord. It is estimated that the total number of MTA soldiers loyal to Colonel Quayord is less than 8,000.

The source also revealed that Khun Sa moved his lapidary factory in Ho Mong to Taunggyi, the capital

of the Shan States. The factory has over 30 gem cutters and three of them are Korean.

Under the agreement that Khun Sa signed with the Burmese Government, the former Shan rebels agreed to give up trafficking heroin in exchange for permission from SLORC (State Law and Order Restoration Council) to engage in legal businesses. In the middle of last month, Khun Sa and Sao Pa Lan, former MTA chief of staff, reportedly went to Rangoon to negotiate with the government for the setting up of enterprises engaging in logging, gem, petroleum, and other businesses.

Burma: KNPP, ABSDF Forces Repulse SLORC Units' Attacks

BK0703022696 Oslo Democratic Voice of Burma in Burmese 1100 GMT 6 Mar 96

[FBIS Translated Text] Aung Hlaing Oo filed the following report from the Dawn Gwin Studio of the ABSDF (All Burma Students' Democratic Front):

Since 2 March, SLORC (State Law and Order Restoration Council) units have launched daily offensives against the Naunglon Ridge near the Thai-Myanmar (Burmese) border, but members of the KNPP (Karen National Progressive Party)-KNU (Karen National Union) Armed Forces and the ABSDF Student Army have retaliated. It has been reported that some SLORC soldiers were killed, some wounded, and some fled.

On the morning of 3 March, SLORC units bombarded the Naunglon Ridge with heavy weaponry. During the evening, their attempt to capture the ridge in close combat failed, and they retreated with heavy casualties. The SLORC units were not even able to recover the bodies of their dead comrades because of land mines planted near their camp by the joint KNPP-ABSDF guerrilla forces.

When the 2 and 3 March offensives failed, the SLORC units did not attempt to capture the Naunglon Ridge. On 4 March, however, they had taken positions opposite the joint KNPP-ABSDF forces.

At around 0900 on 5 March, SLORC units began firing heavy weapons, and close combat fighting continued the entire day. The SLORC units retreated at about 1800 in the evening after suffering heavy losses.

Two KNPP soldiers from the joint revolutionary forces were wounded, while there were desertions from the SLORC units during the Naunglon battle, which has raged for the past four days. The following soldiers deserted to the joint KNPP-ABSDF forces from the SLORC's 102d Light Infantry Regiment under the command of Major Aung Myo Myint: Private Myint Zaw, personal identification number Ta 31480; Pvt.

Kyaw Htoo, personal identification number Ta 31496; and Pvt. Maung Win, personal identification number Ta 31482;

The deserters said there are many sick soldiers in the SLORC units, and some were even attempting to commit suicide.

Burma: SLORC Minister Visits Development Projects

96P30114A Rangoon THE NEW LIGHT OF MYANMAR in English 10 Jan 96 p1

[FBIS Transcribed Text] Rangoon, 9 Jan—Secretary-2 Lt-Gen Tin U of the State Law and Order Restoration Council, Minister for Agriculture Lt-Gen Myint Aung and Minister for Transport Lt-Gen Thein Win inspected dam projects in Ayeyawady and Bago Divisions today.

The Secretary-2 elaborated on the Government's efforts to bring about development of all national economic sectors, based on progress of agriculture.

Endeavours have been made for development in the entire nation, including Ayeyawady Division, he noted, adding they were there to look into the requirements in implementing dam projects.

He expressed his satisfaction to know regional development plans, assisting Government projects, presented by officials of respective townships, saying close supervision being conducted and assistance being provided by different levels of Law and Order Restoration Councils, concerted efforts being made by departmental personnel and participation of the public in the projects, with their firm belief, are harmonious endeavours leading toward national development.

He said Burma is achieving regional peace and national reconsolidation at unprecedented levels with the leadership of the State Law and Order Restoration Council, urging all to strive with greater momentum in building a modern, developed and tranquil nation.

Minister Lt-Gen Myint Aung also gave suggestions.

Nankathu Dam will be built across Ahlechaung Creed, a tributary of Nankathu Myaukchaung Creek, near Kwinkauk village.

The earth dam, 1,600 feet long and 160 feet high, will irrigate 35,000 acres of crops when completed. It will also generate 6.5 million kilowatt-hours of power for surrounding villages.

The Secretary-2 and party then inspected Taungnyo Dam Project in Natallin Township, Bago Division.

The 3,400 feet dam is being constructed on Taungnyo Creek near Magyibin Villiage. It will be 110 feet high.

Thayawady District Law and Order Restoration Council Chairman Lt-Col Than Htaik and officials explained present conditions of the township and the district.

Brunei, Malaysia & Singapore

Brunei

Brunei: Visiting Pakistan Prime Minister Discusses Investment

BK0503130796 Islamabad Radio Pakistan Network in English 1100 GMT 5 Mar 96

[FBIS Transcribed Text] Prime Minister Benazir Bhutto, who arrived in Brunei Darussalam on a three-day official visit this morning, had a meeting with the Sultan of Brunei, Paduka Sri Baginda [His Majesty] Hassanal Bolkiah, and discussed the developments in the region. During the meeting, Ms. Benazir Bhutto urged the Sultan to increase his country's investment in Pakistan and augment trade ties with the brotherly Muslim country. The Sultan of Brunei responded positively and said people of Brunei would use all their means to increase economic cooperation with Pakistan.

The members of the Pakistan delegation, accompanying the prime minister, held simultaneous talks with their counterparts. They discussed ways to increase mutual cooperation. The Pakistani delegation especially emphasized that Brunei should increase trade with Pakistan and make investments in the Pakistani infrastructure.

The prime minister also briefed the Sultan about developments in the region, particularly in the context of Pakistan's security concerns. She told the Sultan about how the outstanding problem of Kashmir is instrumental in deteriorating further the state of affairs in the held Kashmir.

Later, addressing a large gathering of the Pakistani community in Brunei, Prime Minister Benazir Bhutto categorically stated that she is visit foreign countries just to bring foreign investment in Pakistan. The prime minister said because of this reason she had visited Japan, the Philippines, Singapore, and now she had come to Brunei and Indonesia. She said Pakistan was seeking foreign investments for initiating very big projects so that domestic resources are used in projects, which benefit the poor. The prime minister, who was given a very warm welcome by the Pakistani community members, said Pakistanis were doing a commendable job in Brunei. Most of the members of the Pakistani community belonged to Buner and Swat areas of the Northwest Frontier Province [NWFP]. So, the prime minister asked the NWFP chief minister, Mr. Aftab Ahmad Khan Sherpao, to address the gathering. Mr. Sherpao, speaking in Pashto, paid tributes to Pakistanis for their services and

said prime minister's presence there was a proof that their services were being recognized. He promised to solve the local problems of Pakistanis, which they have to face in their home towns. The prime minister especially thanked the community for presenting a check of more than 100,000 rupees for the Kashmir welfare fund. She said this contribution will serve as a moral booster for Kashmiris waging a struggle for freedom. The prime minister appealed to all Pakistanis wherever they are to follow suit and give more and more such contributions in the fund.

The governments of Pakistan and Brunei today signed an agreement in Darussalam for the establishment of a joint commission for bilateral cooperation. The commission will aim at consolidating and developing economic, commercial, educational, scientific, technical, and cultural cooperation between the two countries.

Brunei: Pakistan's Bhutto Discusses Promoting Ties

BK0503144596 Islamabad Radio Pakistan Network in English 1100 GMT 5 Mar 96

[FBIS Transcribed Text] Prime Minister Benazir Bhutto has said Pakistan wanted promotion of its relations with the countries of the region on bilateral and multilateral basis, and for this purpose it seeks settlement of its disputes with India on the basis of the UN resolutions. She was speaking at a banquet given in her honor in Brunei Darussalam by the Sultan of Brunei this evening.

She said Pakistan, being the crossroad to Central Asia, the Gulf, and the Southeast Asia, wanted to play its important role in promoting and strengthening commercial and economic relations for which it will take a number of steps to face the challenge of new markets, global trade, and the competitiveness it brings with it. The prime minister offered services of trained manpower from Pakistan to assist the Brunei Darussalam and said Pakistani doctors, nurses, engineers, teachers, and other well qualified and well trained workers will be readily available.

Ms. Benazir Bhutto said Pakistan is interested in peace and security in South Asia and to that end it was sincerely trying to find a settlement of the Kashmir dispute. She made it clear that elections offered no solution to this problem and only plebiscite pledged in the UN resolutions should be held. She reiterated that Pakistan was ready to discuss the dispute with India bilaterally or multilaterally. The prime minister said Pakistan wanted South Asia free from nuclear weapons for which it has proposed a zero missile regime. However, Pakistan cannot ignore developments in the neighboring countries and it would remain vigilant.

The prime minister said Pakistan equally wanted good relations with ASEAN countries and it was enjoying sectoral dialogue partnership with them. She said Pakistan with the assistance of Brunei Darussalam was looking forward to joining as a full dialogue partner of these countries.

Brunei: Pakistan's Bhutto Comments on Economy, Nuclear Issue

BK0603151896 Islamabad Radio Pakistan Network in English 1400 GMT 6 Mar 96

[FBIS Transcribed Text] Prime Minister Benazir Bhutto has said Pakistan has become a sectoral dialogue partner of ASEAN and desires active support of Brunei to become the full member of this organization. The prime minister said this today while addressing a dinner on the occasion of signing of an agreement of cooperation between Pakistan Federation of Chambers of Commerce and Industry and Brunei Chambers of Commerce and Industry. Mr. S. Munir signed the agreement on his organization's behalf.

The prime minister said that Pakistan is expanding its market and is keen to join the larger global economy which businessmen have helped to create. The prime minister said her government has laid the foundations of a strong economic future as GDP [gross domestic product] has increased to 4.8 percent during 1994-95 and is expected to be 6.5 percent this year. She said budget deficit is expected to drop further to 4.6 percent by June. She said Pakistan welcomes international trade and foreign investment because it has liberalized its economy through economic structural reforms. Pakistan is the only country in Asia where foreign investors can own up to 100 percent equity. The response from foreign investors to the economic reforms undertaken by the government has been highly encouraging. Flow of foreign investment in Pakistan has tripled to \$1.6 billion in fiscal year 1994-95 as against \$443 million in 1992-93. The prime minister said in two and half years Pakistan received offers of over \$20 billion in investment from foreign companies. Foreign investment in Pakistan is fully safeguarded by the Foreign Private Investment Promotion and Protection Act. Pakistan's Board of Investment is accessible from offices in Brunei Darussalam for information on investment opportunities. It also assists in identification of projects of interests. The prime minister pointed out that Pakistan has worked energetically to join the world of global trade and it is ready to take its place in the new century along with its Asian partners a place of leadership.

The prime minister has said Pakistan is engaged in diversified economic development and it is trying to improve its competitiveness worldwide through liberal

trade and investment policies. In an interview with the newspaper, BORNEO BULLETIN, Ms. Benazir Bhutto said there exists tremendous political goodwill between Pakistan and Brunei. This goodwill and friendship has to be translated into concrete economic relationship. Pakistan being a member of SAARC [South Asian Association for Regional Cooperation] and ECO [Economic Cooperation Organization] and Brunei as a member of ASEAN and APEC [Asia Pacific Economic Cooperation] can together promote trade and economic cooperation between their respective regions besides expanding bilateral interaction in various fields.

About the situation in South Asia, the prime minister said we are deeply concerned over India's repressions in occupied Kashmir, where some 50,000 Kashmiris have lost their lives in their just struggle for self-determination. The Kashmir issue, she said, is the main cause of tension in the region. In addition, India's massive military buildup and its ambitious missile development program is a cause of concern for Pakistan's security. She said India's nuclear and missile programs and stationing of its troops in Andaman and Nicobar Islands pose a threat not only to South Asia but also to the Middle East, Central Asia, and Southeast Asia, including Brunei.

Answering a question about Pakistan's own nuclear policy, the prime minister emphatically reiterated that it was entirely for peaceful purposes. She pointed out that Pakistan has already made a number of constructive and practicable proposals for nuclear nonproliferation in the region but none of them have so far received a positive response from India.

Malaysia

Malaysia: 'Independent Mechanism' on UN Sanctions Proposed

BK0403125296 Kuala Lumpur Voice of Malaysia in English 0810 GMT 4 Mar 96

[Station Commentary]

[FBIS Transcribed Text] Malaysia has proposed the setting up of an independent mechanism for monitoring all sanctions ordered by the United Nations Security Council. Malaysia's permanent representative to the United Nations [UN] Tan Sri Razali Ismail brought up this idea last week when speaking in a UN group dealing with Security Council membership and related matters.

Malaysia has always continuously followed UN Security Council resolution on the imposition of sanctions. In fact, Malaysia has on specific occasion, asked the administration of sanctions as a measure to support UN innovation. It is widely acknowledged for example, that it

was mandatory sanctions imposed on the previous South African regime that helped the end of the apartheid policy. Similarly, the world demonstrated its repulsion over Serbian immigration into Bosnia by supporting sanctions.

Much depends on the sincerity with which member states are willing to abide by the Security Council's call for sanctions. Any resolution passed by the Security Council has the force of law. The United Nations Charter also empowers the Security Council to call for a ban on exports of strategic commodities and other items to a particular state or states. Thirty years ago, the council called for the halt to exports of oil to Rhodesia. Now recently, the Gulf conflict is also associated with (oil trading) sanctions imposed on Iraq.

Sanctions are a serious matter. They can be a very powerful weapon. Like all weapons and legal measures, they can be used properly and also abused. Inevitably, when United Nations Security Council members vote for or against a proposal to institute sanctions, they make a political decision. If one of the five permanent were to cast a negative vote or veto, then the entire resolution failed. The Malaysian proposal will bring about an improvement in the present regime or system of sanctions.

An independent group of members could comprise the monitoring body. Tan Sri Razali Ismail has suggested that they could be eminent jurists. This will ensure that the monitoring will be a judiciary and not based on power politics.

The Malaysian view point is that sanctions and their monitoring should be based on equitable (?constant version). Sanctions must be lifted when the aims of all objectives of the sanctions proposal have been achieved. Beyond a specific period of time, sanctions should not be allowed to remain a hardship to a state. Innocent people will suffer. Many feel this is the situation in Iraq for example.

The proposed monitoring body will not in any way impose on the areas of jurisdiction of the United Nations Security Council. It will give independent and impartial opinions. The final decision will be taken by the Security Council. Therefore any opinion issued by the sanctions monitoring body will not be binding on the council. To make it even more acceptable to law members, Malaysia proposed that the monitoring body will not be a permanent strategy. It will be constituted as and when the need arises. There will not be a given number of individuals doing the task of monitoring during their entire life time, for example.

It is often forgotten that sanctions disrupt the flow of international trade and commerce. This should be an option of last resort like the use of force. Smaller and poorer countries can lose heavily by being unable to export to their usual market.

Malaysia has studied all aspects of this issue. It is hoped that all concerned would consider the Malaysian proposal seriously. It demonstrates Malaysia's commitment to strengthen the United Nations as a world body.

Malaysia: Editorial Accuses West of Seeking Economic Domination

BK0603042996 Kuala Lumpur BERITA HARIAN in Malay 5 Mar 96 p 8

[Editorial: "Asian Unity Changes Western Paradigm"]

[FBIS Translated Text] The concept of equal economic distribution has never been on the West's agenda. The West only looks for economic gains. The West's concept of economics has always been lopsided. Western countries do not consider mutual benefit important; they consider their economic and political agendas to be more important. Their foreign trade policies remain questionable. They constantly and loudly voice their free market policies, but upon conducting a careful study of such policies, it is found that almost all of them are aimed at continued colonialism. They frequently proclaim that they are advocates of human rights, yet they use human rights as a weapon to threaten and smear the image of other countries while they themselves widely practice social, political, and economic suppression. Racial and religious oppression has become more rampant. In fact, they are the ones who promote oppression; accusing others of being uncivilized is simply an attempt to conceal their own faults from the world community.

The recent ASEM [Asia-Europe Meeting] in Bangkok was aimed at reforming the West's trade toward more equitable economic distribution. The West cannot regard itself as the economic champion forever; this will only hasten the emergence of an Asian champion. Many countries feel that the West has treated them unjustly, and they have stronger economic links with countries that have also had bad experiences in dealing with the West. Numerous Asian countries are currently capable of competing with their Western counterparts. They have already acquired technological skills that are further enhanced by an abundance of natural resources. China is an example of an Asian country that can pose a threat to the European economy. The smaller countries are also ready to face any challenge posed by the West, not alone but through a united platform. ASEAN is one

organization that frequently states that the West needs to change its attitude if it wants to retain its respect.

The West can definitely assist the developing nations through bilateral or multilateral endeavors. The numerous proposals forwarded at the ASEM meeting, including those on education and transportation, are examples of cooperation that could further enhance relations between the two regions apart from restructuring international economic policies along the lines of equal economic distribution. Nonetheless, in sincerity, we want to use the total trade balance as a yardstick to measure the increasing interaction. In concrete terms, trade relations between countries have increased because of the wider economic scope. Trade relations will continue to exist as long as diplomatic and economic ties are maintained. Nevertheless, the wide scope has not been fully tapped because the West is afraid the economic prowess of their friendly neighbors could jeopardize their dominant economic bargaining power. The West has tried to maintain its confidence by assuming that economic strength will determine political power. They completely disavow the concept that equal economic distribution could bring the world toward greater peace and prosperity. All of this is because they want to remain colonialists and maintain complete control over international politics. It comes as no surprise that they have rejected and even provoked other countries not to support the establishment of the East Asia Economic Caucus (EAEC). They do not want the EAEC to become a forum of developed and developing East Asian countries that can expose the West's unfairness.

If there is any effort to counter the West's dominant power, such efforts will be eliminated through policies they enforce or through organizations that constantly support them, such as the World Bank and IMF. It is widely known that the West employs tactics such as threatening to increase loan interest rates, strengthening protectionism, imposing economic sanctions, or even selling weapons to certain countries. The West will also order pro-Western nongovernmental organizations to dramatize bad conditions in the countries targeted. They have frequently raised labor, the environment, human rights, democracy, and other issues. They have smeared the image of some countries to steer international opinion in their favor. Today, we are courageous enough to say that they have failed. For us, the West must adhere to the principles of equality if they want to continue to talk to developing countries.

Malaysia: Mahathir Praises Growing Business Ties With China

BK0503095896 Kuala Lumpur THE STAR in English
5 Mar 96

[Report by M. Krishnamoorthy and Sreejit Pillai — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — The growing business ties between the Malays and Chinese show that the earlier doubts and suspicions between them have been removed, Datuk Sri Dr Mahathir Mohamed said yesterday.

The Prime Minister said genuine joint ventures between the two communities proved that they now trusted each other and were prepared to share opportunities.

"There are now several successful Malay-Chinese joint ventures. Several more are being undertaken which might be listed on the Kuala Lumpur Stock Exchange's [KLSE] second board soon," Dr Mahathir said when addressing a Hari Raya [Islamic religious festival] and Chinese New Year gathering jointly organised by the Malay Chamber of Commerce and the Association of Chinese Chamber of Commerce and Industries in Malaysia.

He said he had in 1981 suggested that the two chambers co-operated for mutual benefit.

Previously, he said, there were accusations that Chinese businessmen did not want to co-operate with the Malays and if they did so, it was an Ali-Baba relationship where "Ali is given the name but the work is done by Baba."

Dr Mahathir also rebutted claims in a book written by a westerner that the economic growth in South-East Asia was all due to the efforts of Chinese businessmen.

"This is inaccurate. Although the Chinese are skilled in business, it would be difficult for them to succeed without a conducive environment.

"The book also said there was a conspiracy among the Chinese in South-East Asia to control trade in this region," he said, adding that this was untrue.

It was not right to say Malaysia's economic growth was entirely due to the efforts of Chinese businessmen because many Malay entrepreneurs had risen to prominence, said Dr Mahathir.

"It is also not uncommon to have Malay companies employing Chinese managers and Chinese companies having similar Malay participation," he added.

Also present were Deputy Prime Minister Datuk Sri Anwar Ibrahim, Education Minister Datuk Sri Najib Tun

Razak, Transport Minister Datuk Sri Dr Ling Liong Sik, Local Government and Housing Minister Datuk Dr Ting Chew Peh and Health Minister Datuk Chua Jui Meng.

Malay Chamber of Commerce president Datuk Sri Yahaya Ahmad later told reporters that 12 Malay-Chinese joint ventures were ready to be listed on the KLSE's second board.

He said the chambers' special joint committee had also identified another 20 genuine joint ventures in the manufacturing sector.

"These developments prove that the Malays are not afraid to have joint ventures with Chinese businessmen and entrepreneurs," he said.

Joint committee chairman Abdul Rahman Maidin said they were targeting small- and medium-scale manufacturing companies for future joint ventures.

He added that they would invite the Indian Chamber of Commerce soon to participate.

Malaysian Premier Stresses Legitimacy of Thai Border Wall

BK0203141296 Bangkok Radio Thailand Network in Thai 1200 GMT 2 Mar 96

[FBIS Translated Text] Malaysian Prime Minister Datuk Sri Mahathir Mohamed stressed that the border wall being constructed by Malaysia along the Thai-Malaysian border opposite Satun Province is inside Malaysia. He said the wall is being constructed to prevent illegal workers from entering Malaysia for work and also to prevent the smuggling of goods into Thailand. The wall will serve as a border demarcation dividing Thailand and Malaysia.

On the Asia-Europe Meeting, the Malaysian prime minister said he wished Europe would reduce import tariffs on products from Asia, based on the circumstances of each exporting country. The Malaysian prime minister said he would propose the idea to the World Trade Organization for consideration.

Malaysia: Mahathir Chides ASIAWEEK for Reshuffle Report

BK0603071396 Kuala Lumpur THE STAR in English 6 Mar 96

[Unattributed report]

[FBIS Transcribed Text] Kuala Lumpur — Datuk Sri Dr. Mahathir Mohamed said he would "consult" ASIAWEEK, the weekly Hong Kong-based magazine, on whether he should carry out a Cabinet reshuffle or otherwise.

The Prime Minister made the tongue-in-cheek statement when asked to comment on a report in the magazine's February 23 edition which carried a story of a probable Cabinet reshuffle in April or May.

The UMNO [United Malays National Organization] president said since the magazine was capable of "reading his mind," he should seek its advice on the reshuffle.

Asked if that meant there would not be a Cabinet reshuffle, Dr. Mahathir said: "I am not saying whether a reshuffle is in store or otherwise. I will ask ASIAWEEK first. "These reports are made by intelligent Europeans who have come to advise us on how to run our government. After all their governments are being run very, very well indeed.

"So much so that they want to transfer their superior brainpower to us."

Dr. Mahathir said ASIAWEEK was so intelligent that it could know what "we are thinking even before we think about it."

The report, among other things, stated that Datuk Sri Anwar Ibrahim would be moved from the Finance Ministry while recently reinstated Umno Youth chief Tan Sri Abdul Rahim Tamby Chik would be made the Agriculture Minister.

On foreign media reports on Perwaja Terengganu, the debt-ridden steel factory, Dr. Mahathir said the Government accepted the fact that it was facing some problems.

"Its problems have to be handled properly and we have set up an audit committee to look into them.

"We will study the audit report before deciding how to proceed with Perwaja," he added.

Malaysia: Mahathir Denies Money Laundering Allegation

BK0403075696 Kuala Lumpur THE STAR in English 4 Mar 96

[FBIS Transcribed Text] Kuala Lumpur — Datuk Sri Dr Mahathir Mohamed denied yesterday that Labuan was becoming a money-laundering conduit, saying Malaysia disapproved of such activities.

The Prime Minister, however, said while Malaysia was willing to co-operate with the United States to combat money-laundering, Washington had no right to come here and repatriate people to stand trial.

"We do not like money-laundering, but where is the proof that we are involved? Just because we have

an offshore financial centre, it does not mean money-laundering will happen.

"The fact is, it happens in certain places, including the United States.

They should concentrate on the matter within their own laws and not impose extra-territorial rights," he said on his return from Bangkok after attending the Asia-Europe Summit.

The US 1996 International Narcotics Control Strategy Report had said that Malaysia was vulnerable to money-laundering activities, and the Malaysian Government continued to be concerned about Labuan becoming a money-laundering conduit. Dr. Mahathir said if the United States could claim Malaysia was breaking the law, the Government had every right to accuse them of failing to combat drug smuggling.

On the trans-Asian rail link proposed by Malaysia at ASEM [Asia-Europe Meeting], the Prime Minister said Malaysia would co-ordinate a study on the project immediately.

Malaysia: Three Convicted Drug Traffickers Hanged

96P30115A Rangoon THE NEW LIGHT OF MYANMAR in English 15 Jan 96 p 2

[FBIS Transcribed Text] Kuala Lumpur, 14 Jan—Three convicted drug traffickers were hanged Friday under Malaysia's Anti-Narcotics Law that imposes mandatory death sentence.

Prisons Department spokesman Jamil Razif Kassim said the three Malaysians were executed at Kajang Prison after they exhausted all legal avenues of appeal.

Mustaffa Kamal Abdul Aziz, 38, and Mohamed Radi Abdul Majid, 53, were convicted of trafficking in 5,000 rolls of cannabis weighing 2.6 pounds on September 11, 1988.

They were sentenced to death by the High Court on May 6, 1991 and the Supreme Court rejected their appeals in April 1993.

Poo Yun Fan was sentenced on May 9, 1991 after he was found guilty of trafficking in 5.94 ounces of heroin near a school on August 6, 1984.

The Supreme Court rejected his appeal in March 1994.

A 1975 law defines the possession of 0.35 ounces of cannabis as trafficking. No sale needs to be proved, and the punishment is mandatory death sentence.

Defence lawyer Karpal Singh said he tried but failed to meet with Prime Minister Mahathir Mohamed to ask King Ja'Ar Abdul Rahman to postpone the execution.

Singh said two of the accused and their families had been given only a few days notice of the hanging and needed more time to prepare themselves. Malaysian courts have so far sentenced about 530 people to death for drug trafficking. About 215 of them have been hanged, including 25 foreigners. The others are on death rows or awaiting appeals.

Malaysian Minister: No Decision on Purchase of Submarines

BK0403075796 Kuala Lumpur THE STAR in English 4 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — Malaysia has not decided when to acquire submarines for the navy, Defence Minister Datuk Syed Hamid Albar said yesterday.

He said the purchase still remained an option to boost the country's defence capabilities.

He said the navy considered submarines vital for better protection of Malaysia's maritime assets.

"They (the submarines) are costly, each costing at least a few hundred million ringgit. So we must be careful and study the various offers before we decide.

"However, it is possible such an acquisition may be made in the Seventh or Eighth Malaysia Plan," Syed Hamid told reporters at his Hari Raya [id al-fitr] open house yesterday.

He said the Netherlands, Australia, Sweden, Germany and Turkey were trying to convince Malaysia to purchase their submarines.

The Cabinet had in 1990 approved the navy's request to buy four submarines but the purchase was postponed due to budget constraints.

Syed Hamid said the navy had also been sending its officers for submarine training in Australia, the United States and Sweden.

"We now have a pool of navy officers skilled in operating submarines," he said.

Asked about submarine purchases by neighbours Indonesia and Singapore, he said Malaysia did not see the need to buy similar ones immediately just because these countries had them.

Malaysian Minister: Weapons Purchases Not Arms Race

BK0403112796 Kuala Lumpur Voice of Malaysia in English 0800 GMT 4 Mar 96

[FBIS Transcribed Text] Weapons purchases by Asia-Pacific nations should be viewed as the modernizing of the armed forces and not an arms race.

Defense Minister Syed Hamid Albar said that with the end of the Cold War and the cooperation among nations in the region, the buying of sophisticated arms should be looked at positively. BERNAMA News Agency reported on Monday.

He said Kuala Lumpur for example, bought sophisticated arms to replace obsolete ones for its national security. Malaysia last year took delivery of jet fighters from Russia and Britain, and also its fighters from the United States.

Datuk Syed Hamid offered no statistical figures, but said Malaysia's allocation for defense was very small compared with that for social economic, and other developments.

Malaysian Minister: No More Hawk Fighter Purchases

BK0503073696 Kuala Lumpur BERITA HARIAN in Malay 5 Mar 96 p 2

[FBIS Translated Text] Kuala Lumpur, Monday [4 March] — The government has no intention of purchasing any more Hawk aircraft manufactured by British Aerospace (BAe) despite the offer to sell 10 more of these aircraft.

Defense Minister Datuk Syed Hamid Albar has said the existing Hawk and other jet fighters currently owned by the Royal Malaysian Air Force are adequate to defend the country's airspace. Speaking at the Defense Ministry here today, he said: "We are content with what we have. We have no plans to increase the number of jet fighters because we are satisfied with our existing fleet."

Earlier, he received a courtesy call from visiting French Foreign Minister Herve de Charette at his office.

Malaysia was given the option to purchase 10 more Hawk jet fighters in accordance with the memorandum of understanding (MoU) signed in 1988 for the purchase of 28 Hawk-100 and Hawk-200 jet fighters. The agreement involved the purchase of 10 two-seat Hawk-100 jet fighters and 18 single-seat Hawk-200 jet fighters at a cost of RM [Malaysian ringgit] 2.4 billion. The package deal included training, spare parts, and further training when the first aircraft arrived in June 1994. The remaining aircraft arrived in batches.

Recently, Armed Forces chief General Tan Sri Ismail Omar said the aircraft could not be fully utilized after the purchase because their components are frequently faulty. According to Ismail, even though Britain repaired the defective parts on the Hawk-100 and Hawk-200 aircraft, which use Rolls Royce Adour MK-871 engines, frequent breakdowns occur continuously.

Given the exposure of the issue, the British Government has given its assurance that BAe will supply the needed aircraft components expeditiously.

Malaysian Minister Details Plan To Modernize Army, Navy

BK0503095696 Kuala Lumpur THE STAR in English 5 Mar 96

[Report by Thomas Soon — received via Internet]

[FBIS Transcribed Text] Kuala Lumpur — The Defence Ministry will concentrate on modernising the capabilities of the army and navy now that the upgrading exercise for the air force is almost complete, said its Minister Datuk Syed Hamid Albar.

He said there was a need for a review of the strength of the army and navy.

"For instance, there is a need to upgrade our ships, some of which have been in service for 50 years," he told reporters at his office yesterday after receiving a courtesy call from French Foreign Minister Herve de Charette.

He said all obsolete military hardware had to be replaced, but any expenditure would depend on specific requirements and the affordability.

Syed Hamid said while the military was now capable of defending the country's security and sovereignty, it had to move with the times.

"I am looking at a span of 15 years to build up a credible, conventional force," he added.

Earlier, at a gathering of Mindef [Ministry of Defense] civilian and military staff, Syed Hamid announced that the Malaysian Contingent (Malcon) troops have started moving to three new locations in Bosnia-Herzegovina.

He said about 600 Malcon I [Roman numeral one] troops had been redeployed to Kupres, Glamoc, and Livno — from French to British command — since last month.

"The whole process of redeployment will be completed by the end of the month," he said.

The remaining of the 1,533-strong Malcon troops are still in Konjic and Podorasac, while the troops in

Jablanica, Pazaric and Dobrinje have left for the new locations.

Syed Hamid said the Malcon headquarters would be moved to Livao from Konjic.

Malcon I will be replaced by Malcon II by the middle of the year. Malcon II will mainly comprise the 18th Battalion from Seberang Takir in Terengganu.

Singapore

Singapore: Column Views Outcome of Asia-Europe Meeting

*BK0603130096 Singapore BUSINESS TIMES
in English 4 Mar 96 p 5*

[*"Asian View" column by Yang Razali Kassim: "Clash of Civilization That Never Was, Instead Europe Has Rediscovered East Asia"*]

[*FBIS Transcribed Text*] The setting was Asian, but the technology European. At the inaugural summit between Asia and Europe in Bangkok, European translation headsets made sure leaders from the two continents spoke on the same wavelength.

More strikingly, the 26 leaders who came were driven around in sleek, new Mercedes Benz cars. Even Ryutaro Hashimoto, the Prime Minister of the giant carmaker Japan, was chauffeured in that standard-bearer of European technology.

The point was driven home lucidly: Asia and Europe are coming together, again. And the Europeans are moving back into Asia in style, after much neglect due to decades of Eurocentrism.

If previously the European presence in Asia was market-driven, this time it will be pursued with single-minded purpose and coordinated at the highest level.

The Asia-Europe Meeting, or ASEM as the summit is called, marks a new dawn in contacts between two powerful economic regions and revives ancient ties between two old civilisations.

It was Asia which took the initiative to trigger what Thai Prime Minister Banhan Sinlapa-acha described as Europe's "rediscovery" of East Asia.

Singapore wanted to fill a "missing link" in the triangular relationship between the three super-economic regions of the world — Asia, America and Europe.

France, a leading force among the Europeans, liked the idea and within 16 months the summit was planned and convened in Bangkok, which emerged as an astute host.

The president of the European Union, Italian Prime Minister Lamberto Dini, said the European leaders — 16 of them — had come to recover lost ground.

"Our relations have fallen behind and the time has come to make up the lost ground," he said.

Europe has now woken to the fact that half the growth in global trade until the year 2000 will be generated in Northeast and South-east Asia, as the World Bank states.

Catching up with the United States, Europe now trades more with Asia than with the U.S. In 1994, the European Union's trade with Asia stood at U.S.\$312 billion [Singapore dollar] (\$\$439 billion). Its trade with the U.S. in the same year was U.S.\$235 billion, according to latest EU data.

The Europeans at the summit hoped the relinking of Asia and Europe may one day match the trans-Pacific ties which Asia has forged with America through APEC, the Asia-Pacific Economic Cooperation forum.

But German Chancellor Helmut Kohl played down the notion that ASEM would become a new regional bloc to rival APEC.

ASEM, he said, would complement APEC in the new triangular balance of economic forces in the emerging world order. "We don't consider other regions as a threat," he said after the summit.

Some leaders, Asians and Europeans alike, were initially either skeptical or nervous about the success of the summit. In the run-up, much was aired about the differences in values. And there was fear that a "clash of cultures" over such issues as human rights could sink the Euro-Asian forum for good.

But European Commission president Jacques Santer admitted to a packed post-summit press conference on Saturday that his own skepticism had been proven wrong.

The East Timor issue was deftly handled on the fringes of the summit in a breakthrough meeting between Portuguese Premier Antonio Guterres and Indonesian President Suharto.

Mr Guterres was advised, and stuck to the Asian way of resolving problems, with no loss of face on anyone's part. It proved that ASEM, if sensitively and cleverly handled, can become a platform for troubleshooting for the most intractable of problems.

"ASEM could well prove to be of truly historical significance. Today, it confirms an old truth: even the tallest tree starts from a small seed," he said.

Singapore Prime Minister Goh Chok Tong described the meeting as a "huge success" and a "real turning point" in relations between Asia and Europe.

The informality helped create good chemistry among the leaders. "Concrete projects were realised after only two days of meetings," he said.

It was a desire to make sure the summit would not end as a one-off affair that led to a flood of concrete proposals, virtually all of which have taken off: an Asia-Europe business forum; an Asia-Europe foundation based in Singapore; an Asia-Europe environmental technology centre in Thailand; a second summit in London in 1998 and a third in Seoul in 2000; a meeting of ASEM foreign ministers in Singapore next February; an economic ministers' meeting in Japan next year; and a joint government and private sector working group on investment.

The list seems endless. One of the most tangible follow-throughs to undercore the new contact between the two continents is a trans-Asian rail link which will connect Asia and Europe.

From Singapore to Kuala Lumpur, it will run north to Indochina through the Mekong Basin and up to Kunming and Beijing in China before turning west to Europe, perhaps even hugging the ancient Silk Route.

Malaysian Prime Minister Mahathir Mohamed, who conceived the idea and whose country will coordinate the trans-Asian rail link project, told the Malaysian press that such tangible follow-ups had changed his mind about the Asia-Europe process.

"Maybe I'm biased, but I get the feeling that the meeting has produced more concrete results than APEC, which deals with policies," said Dr Mahathir.

The ASEM process, like APEC, will be economics-driven. But unlike APEC, Asia's Europe track will be more broad-based with political, security and socio-cultural cooperation forming the core of priorities.

Indeed, if Asia and Europe want their new relationship to truly succeed, the Asia-Europe summit must aim to bridge the contrasting cultures and values that they each embody.

The summit had faced one immediate challenge: would it prove Harvard professor Samuel Huntington right about the inevitability of "a clash of civilisations" between East and West?

As it turned out, both Asian and European leaders agreed that the East-West contact need not end in confrontation.

Indeed, they placed great stress on the importance of promoting cultural understanding between the two sides.

The leaders agreed to Singapore's offer to start immediately a new think tank, the Asia-Europe Foundation, that will promote understanding between the two cultures. Related to this is a Malaysian proposal for an Asia-Europe university programme.

As unnewsworthy as they may sound, such proposals are actually important — at the end of the day, the stability of ties between East and West rests on a better understanding of each other. And on mutual acceptance and a healthy respect for each other, values and all.

Only then can Asian-European ties in trade, investment and politics have a better chance of avoiding the rocky patches that Asian-American ties sometimes go through.

The summit was clearly a good start — a clash of civilisations that never was.

Singapore: Editorial Views Outcome of Inaugural ASEM

BK0603140596 Singapore THE STRAITS TIMES
in English 6 Mar 96 p 24

[Editorial: "Asia-Europe Pace Quickens"]

[FBIS Transcribed Text] Asia and Europe are no strangers to each other. But a formal partnership is a new concept. The Asia-Europe summit (ASEM) was significant, therefore, as much for being held at all, as for what it promises to achieve. The trigger being economic, this will remain the main thrust for some time to come. But the Bangkok document rightly emphasised ASEM's political and strategic potential as well. The European Union's [EU] involvement in a region that is striving for equilibrium might help to balance the American presence and reinforce still nascent damage-control mechanisms. In the long run, ASEM and APEC [Asia-Pacific Economic Cooperation] might turn out to be not only tested conduits to the rest of the world, but also external projections that stabilise a concert of Asia whose keynotes are co-option and cooperation instead of confrontation or containment. That is to take a long-range view of what the relationship might lead to. For now such a path-breaking gathering of the leaders of 25 countries could not be expected to pass off without any hint of dissonance. Differences of historical experience and cultural perception were bound to cast some shadow over the Bangkok proceedings. Yet, in spite of conflicting views on such matters as a code on foreign investment tariff walls, the EU's anti-dumping procedures or certain aspects of the human rights question there seem to have been remarkably few

discordant notes. Clearly, both sides were anxious to play down differences in the interests of a synergistic union that can serve individual as well as collective interests.

Not surprisingly, perhaps, it was at the bilateral level that the inaugural session seemed to produce instant results. Spared the fuss and limelight of formal conferences, summits on the sidelines are always useful for coming to grips with irritants. The talks between Chinese Prime Minister Li Peng and his British counterpart, Mr. John Major, or between Indonesian President Suharto and Portugal's Mr. Antonio Guterres, for instance, seem to have helped to narrow the gulf on divisive issues. Other bilateral discussions at Bangkok may have helped to remove from public acrimony a whole range of contentious matters including transitional arrangements for Hong Kong, Malaysia's border wall, and disputes over the Senkaku and Tokto-Takeshima islands. EU Trade Commissioner Leon Brittan may be justified, too, in including China's eve-of-ASEM contract with Airbus as another micro achievement.

It is at the macro level, however, that the event must ultimately be assessed. There, the Bangkok document says it all. Europe does more business now with Asia than with the United States, yet there is no institutional framework for bilateral interaction. The omission is all the more surprising because of the historical links between several EU members and many Asian countries. Also anomalous is the fact that though exports and imports are forging ahead (totalling \$442 billion against a \$332 billion Asia-U.S. turnover), Asia accounted for only 1 per cent of Europe's direct foreign investment in 1994. No doubt, this will improve as the result of the efforts of no less than four groups — economic ministers meeting in Japan, officials in Brussels, the business forum to be inaugurated in France and the working group to draw up an investment plan.

A busy schedule and an ambitious agenda lie ahead. Changes can be expected along the way comments made in Bangkok indicating that even the membership is under review. This is as it should be. It is impossible to anticipate either all possible future challenges or the full scope for multilateral action. What does seem clear is that members want ASEM to serve the full gamut of subjects, from economics to security. While China, for instance, stressed the importance of an investment action plan, the French made clear their interest in the ASEAN Regional Forum. How best this can be achieved will become clearer through dialogue as the Asia-Europe Partnership for Greater Growth evolves at the London and Seoul summits over the next four years.

Singapore: New Australian Government's Ties With Asia Viewed

BK0603133796 Singapore THE STRAITS TIMES in English 5 Mar 96 p 22

[Editorial: "Howard's Brave New World"]

[FBIS Transcribed Text] One of the more succinct readings of the change of government in Australia, after Labor's rout in the weekend election ended a tenure of 13 years is that it had overstayed its welcome by three years. True democrats apparently do not mind change for its own sake. According to a professor of politics at the University of New South Wales, Labor should have been voted out in 1993 but for a blunder by Mr. John Hewson, leader of the Liberal-National opposition bloc which had been favoured to win right up till the home stretch. Disaster struck when he proposed a 15 per cent consumption tax. Nothing kills careers in Australian politics like hitting the pocket nerve. The inexperienced politician that he was, Mr. Hewson did not think of waiting till he had won before doing what needed to be done. Thus, Mr. Paul Keating's Labor Party won by default. But thereafter, it was on life support. The heavy defeat Labor suffered three years after that escape was inevitable, said the professor, and was partly the result of what she called the three-year hangover.

By handing the Liberal-National coalition a stunning majority of up to 45 seats this time, Australian voters were saying that familiarity does breed contempt. Mr. Keating has no reason to feel crushed, though. Labor had a good innings since Mr. Bob Hawke first won office in 1983. While unemployment should have come down a couple of points below its current 8.6 per cent, Australians hardly experienced privation in the past decade with average GDP [gross domestic product] growth edging up to 3.5 - 5 per cent in the past few years. But primarily, the change will do the country little harm because policy differences between what used to be a reactionary Labor leadership and the Australia-first conservatives have, since the days of Whitlam and Fraser, been ground down to a matter of emphasis.

But, in their time, Mr. Keating and his predecessor, Mr. Hawke, wrought a critical transformation in Australia's foreign policy orientation that may yet change with Mr. John Howard in charge as prime minister. Australians will want to engage their new government in this process, even if it appears to them a tad remote. The Labor leaders had tied the country's long-term fortunes to Asia's with a web of economic, security and diplomatic linkages. Australia will be hard put to secure its prosperity otherwise. The Howard government's foreign policy stance, so far as it is known, is at face value consistent with that. Asia, it says, retains priority

for Australia's security and economic well-being. But the constant refrain — in Mr. Howard's campaign speeches and post-election remarks by the man likely to be named foreign minister — about wanting to balance its Asia relations with a deeper reach to North America and Europe points to a subtle change.

If this is expressing solidarity over matters of mother lode and ethnicity, it is a prerogative to be exercised. It is not as if Labor had abandoned traditional links with those old power centres. Beyond that, it is puzzling how harping on tradition might benefit Australia. Mr. Howard needs to ponder the proposition that neither the United States nor Europe regards Australia as anything other than a fringe interest to fix the odd security need, where it exists. As for Britain, adherence to monarchical links with the Crown — which the new government wants to preserve — does not change the fact that Britain had cut Australia adrift as soon as it entered Europe two decades ago. Mr. Howard also spoke about Australia's "linking role" between Asia and the Western hemisphere. He should be quickly disabused of the notion that Australia has influence. That role rests with the Asia-Pacific web made up of APEC (Asia-Pacific Economic Cooperation), the ASEAN Regional Forum, the ASEAN post-ministerial conference and, now, the Asia-Europe forum. The new Canberra Government is plainly feeling its way in geo-strategic matters. Asian countries, where thoughtful Australians know their future lies, will have more than a mild interest in what the Howard Administration come up with in the coming months.

Singapore: Joint Statement Issued on Dispute With Malaysia

BK0703102896 Singapore THE STRAITS TIMES
in English 7 Mar 96 p 2

[Unattributed report]

[FBIS Transcribed Text] Both Singapore and Malaysia are confident of reaching agreement to submit the Pedra Branca case to the International Court of Justice soon.

A joint statement on the issue of Pedra Branca, or Pulau Batu Puteh, as the disputed island is called in Malaysia, was released by the Foreign Affairs Ministry yesterday.

The ministry said that senior officials from both sides had met in Singapore on Tuesday and yesterday to continue their discussions on the "special agreement" to refer the issue to the International Court of Justice (ICJ).

Malaysian Prime Minister Datuk Sri Dr. Mahathir Mohamed and Prime Minister Goh Chok Tong had agreed in September 1994 to refer the 12-year dispute

over the rocky outcrop situated 15 kilometers off Johor to the ICJ.

Discussions on the special agreement aim to spell out the terms of reference of the dispute for submission to the ICJ.

During the two-day talks, the Malaysian delegation was led by Tan Sri Ahmad Kamil Jaafar, secretary-general, Ministry of Foreign Affairs. The Singapore delegation was led by Mr. S. Tiwari, senior state counsel in the Attorney-General's Chambers.

Senior officials had last met in Kuala Lumpur in June last year.

The statement said that the two-day meeting in Singapore was "held in the traditional spirit of close co-operation and neighbourliness between the two countries", and that progress was made on a number of outstanding issues in the special agreement.

Both sides also agreed that the next meeting would be held in Kuala Lumpur, on a date to be agreed on mutually.

Singapore: Ministry Urges End to Bombings in Israel

BK0703112596 Singapore THE STRAITS TIMES
in English 7 Mar 96 p 1

[Unattributed report]

[FBIS Transcribed Text] Singapore, expressing shock and dismay at the recent spate of bombings in Israel, has called for restraint by all parties and reaffirmed its support for the Middle East peace process.

Noting that the bombings have claimed the lives of many innocent people, a spokesman for the Ministry of Foreign Affairs said yesterday the Republic joins United Nations Secretary-General Butrus Butrus-Ghali in urging an end to the carnage.

"Singapore hopes that these senseless killings will not deter Israel and the Palestine Liberation Organisation from their pursuit of peace," the spokesman said adding: "Singapore urges restraint by all parties and reaffirms its support for the Middle East peace process."

Nearly 60 people have been killed in four bomb attacks in Israel since February 25.

Singapore: Minister Announces Air Force Fighter Upgrade

BK0703112296 Singapore THE STRAITS TIMES
in English 6 Mar 96 p 3

[Report by Thomas Lee]

[FBIS Transcribed Text] The Republic of Singapore Air Force's (RSAF) fleet of F-5 fighter aircraft will be upgraded by home-grown Singapore Technologies Aerospace (STAE).

Deputy Prime Minister and Defence Minister Tony Tan announced this yesterday after he toured the company's facilities at Paya Lebar.

The F-5 upgrade will give the aircraft improved radar and avionics capabilities, comparable to new, more modern fighters such as the F-16, but at a fraction of the cost of buying new aircraft.

The F-5s, which entered service with the RSAF in 1979, were the RSAF's first supersonic fighters and still serve as frontline interceptors in many air forces around the world.

However, a Defence Ministry statement said the avionics in the aircraft are about 30 years old and would not be able to meet the RSAF's future operational needs.

Dr. Tan said the new improvements to the radar and avionics would extend the useful life of the F-5s by another 10 to 15 years.

He said that Mindef [Ministry of Defense] decided to award the contract to STAE because the ministry was satisfied with the results of the two years of flight trials conducted by the RSAF on two prototype F-5s, which were upgraded by STAE in 1994.

"By upgrading equipment where possible rather than buying new equipment, Mindef is able to maximise the value from every defence dollar spent," he added.

Singapore is one of the first countries to embark on extensive upgrading of the F5s, originally made by Northrop, an American company.

Production of the aircraft has stopped but the plane is still used by the air forces of Indonesia, Malaysia, South Korea, Thailand and Taiwan.

The upgrade contract is not the first awarded to STAE. In the late 1980s, it was the main contractor that upgraded the RSAF's fleet of A-4SU Super Skyhawks fighter aircraft.

Describing the award of the contract to STAE as a milestone in the development of the Singapore Technologies group, Dr. Tan said: "Singapore Technologies is a strategic partner of Mindef."

Cambodia**Cambodia: Article Berates U.S. Narcotics Classification**

BK0603070896 Phnom Penh REAKSMEI
KAMPUCHEA in Cambodian 6 Mar 96 pp 1, 2

["This Issue's Comment" by Seiha: "If Mr. Clinton..."]

[FBIS Translated Text] Cambodian police officers seized 71 kg of heroin in Koh Kong in August 1995. This feat became the sole evidence for U.S. President Bill Clinton to place Cambodia on the list of drug trafficking countries, an act considered by all to be a major judgmental error.

Various news networks reported that the 71 kg of heroin was the largest narcotics haul made in Southeast Asia last year. According to information received by the networks, Mr. Clinton relied on this figure when he classified Cambodia as a drug trafficking country. Some people have joked that if this is so, then every future narcotics seizure should be kept secret. "If you have to burn them, burn them; if you have to kill them, kill them." Right?

As the leader of a superpower, why does Mr. Clinton not think that a 71 kg heroin haul is an indication that narcotics cannot pass through Cambodia?

Although the President has decided not to decertify and penalize Cambodia, and although U.S. Embassy officials have made it plain that the listing of Cambodia among narcotics trafficking states might lead to increased U.S. aid in the fight against narcotics in this country, the fact remains that Cambodia has already been painted most unjustly. Or is it a U.S. habit to put a coat of paint on weaker nations before giving them aid?

Aside from the aforementioned flimsy evidence, there has been very little information that would render justice to the legitimate Cambodian Government. Apart from the logic of this dubious evidence, some businessmen and government officials have also been accused of dealing in narcotics. Meanwhile, allegations that can be described as truthful have never been mentioned.

On 12 February, Mr. Prasong Buranaphong, minister in the Thai Prime Minister's Office, told Giorgio Giacomelli, executive director of the UN International Drug Control Program, that the Khmer Rouge were stepping up their involvement in narcotics trafficking to get money to finance their war against the Cambodian Government. The two agreed that "the Khmer Rouge will get more and more involved in drug smuggling because they need huge amounts of money to purchase arms."

This should also been included in Mr. Clinton's report. If Mr. Clinton metes out any punishment on the Khmer Rouge, the Cambodian people will immediately shout for joy.

Nevertheless, we must support Samdech Hun Sen's remark that Cambodia will continue to fight narcotics whether or not it gets aid. Of course, Cambodia cannot gleefully laugh off the colors with which it has been painted in exchange for aid.

Cambodia: Paper Criticizes U.S. Over Actor's Murder

BK0703151396 Phnom Penh CHAKKRAVAL in Cambodian 1 Mar 96 pp 1, 4

["Today's comment" column by Serei Moradak: "The U.S.A. Cannot Find a Motive for the Murder"]

[FBIS Translated Text] Hang Ngor was a well-known actor in a historic film entitled "The Killing Fields," produced by a company in the United States. He was shot dead by unknown assailants last Sunday.

Hang Ngor was an activist who staunchly opposed the leaders of the genocidal Khmer Rouge. He was actively gathering and compiling evidence on genocide for the coming trial of Khmer Rouge leaders by an international court.

Many local and foreign political circles think that "this was a political murder at the present time or a murder to silence people politically in the future," which was carried out by the Khmer Rouge and a pro-Khmer Rouge group.

U.S. authorities, however, who are highly advanced both in terms of equipment and criminal investigation methods, said that they "cannot find a motive for this murder" and naively added that "the murder was probably a robbery."

Granted, Cambodia has no security and is weak in scientific and technical investigation. What about the United States? It is even worse than Cambodia.

Furthermore, human rights organizations would have screamed their heads off if a politically motivated murder took place in Cambodia.

This murder, however, took place in the United States. Large and small human rights organizations have remained silent, as though their mouths are stuffed with unexploded M-79 grenades.

Cambodia: Ranariddh on SRV Failure To Meet for Border Talks

BK0703101296 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 7 Mar 96 pp 1, 8

[Report by Dararit and Thmar Da]

[FBIS Translated Text] At the Interior Ministry seminar held on the afternoon of 4 March and a meeting with the press on 5 March, First Prime Minister Prince Krompreah Norodom Ranariddh repeatedly expressed strong displeasure at the Vietnam's failure to keep its promise to arrange talks between him and Vietnamese Prime Minister Vo Van Kiet in Laos on 3 March on the border problem.

He said that he had sent a letter asking Vietnamese Prime Minister Vo Van Kiet to settle the problem peacefully and without the use of force. Because both the local authorities and the ministries concerned had failed to settle the problem, we asked the Vietnamese prime minister to use all diplomatic channels for this. Vietnam responded that we should meet in Laos since Cambodia had already asked Laos to hold the talks on the Cambodia-Vietnam border problem. Vietnam first agreed to meet the prince in Laos on 3 March, but it then told him that Vo Van Kiet was too busy because the National Assembly was in convened for an emergency session starting from 1 March. The prince said Vo Van Kiet asked to meet him in Ho Chi Minh City or in any Vietnamese province bordering Cambodia if he had some free time.

The prince retorted through the Vietnamese ambassador that Vo Van Kiet said he will be busy on 1 March because the National Assembly will be in session, but he was actually leaving for Bangkok then. Vo Van Kiet also said he will have a tight schedule on 3 March because of the National Assembly session, but I am not sure if the National Assembly of Vietnam convenes on Sunday.

The prince stressed that he also told Vo Van Kiet that it is not practical to ask him to go and meet him in Vietnam since Cambodia did not violate Vietnamese territory. It is Vietnam that has created this problem.

In January, Prince Krompreah Norodom Ranariddh accused Vietnam of "intruding" 300 to 400 meters into Svay Rieng Province in Cambodia. According to subsequent reports, it was learned that Vietnam had rented the Cambodian land in question for farming.

The prince also informed the press that Vietnam had violated the spirit of the agreement signed on 17 January 1995 when he paid an official visit to Vietnam. According to this agreement, the present status quo of

7 March 1996

the border areas should be maintained until a technical group was set up to discuss the matter. For this reason, the prince emphasized that "we must settle the problem peacefully in line with the agreement between the two countries." However, his request for a meeting was rejected by Vo Van Kiet using various excuses. This shows the bad faith and the lack of goodwill of the Vietnamese, the prince said.

Asked about his comments on 4 March when he said that Thailand had also violated Cambodian territory on the western border, the prince answered: "I said that I had obtained a report from the Defense Ministry that some parts of Cambodia are now occupied by Thailand... However, before reacting we must have evidence and clear facts, which we do not have as yet." He went on: "I have asked the Ministry of Interior to give me facts and evidence on this matter."

On 4 March, during the Interior Ministry seminar, Prince Krompreah said: "Chief of Staff General Ke Kimyan told me that the Thai Government has instructed its people to move into the former Cambodian resistance camps which are now occupied by the Thai Government. The Thais are building roads and building new villages there."

Cambodia: Sihanouk Urges Speedy Trial of Khmer Rouge Leaders

*BK0703042396 Hong Kong AFP in English
0354 GMT 7 Mar 96*

[FBIS Transcribed Text] Phnom Penh, March 7 (AFP) — King Norodom Sihanouk has called for the speedy trials, in absentia if necessary, of Khmer Rouge leaders held responsible for the deaths of at least one million Cambodians during their 1975 to 1979 reign of terror.

"I think it is absolutely necessary (to try them) before (they die)," the king said in a rare interview with the Cambodia Daily newspaper published Thursday.

The core leaders of the group, including its shadowy chief Pol Pot, are now in their mid to late-60s and still command a guerrilla army opposing the coalition government elected in 1993.

The king said he fully supported the efforts of the US-funded Cambodian Genocide Program which is now collecting evidence against the Khmer Rouge that could be used in any possible future trials.

The program's researchers have already discovered many thousand more mass (?grave sites — "killing) fields" — than expected and believe that the total number of Khmer Rouge victims may vastly exceed previously accepted figures.

"I tell the Americans who are... (completing) the documentation about Pol Pot: I support you, but please condemn them, condemn them absolutely," the king told the paper.

Pol Pot and his right-hand man, Ieng Sary, among others, were already convicted of genocide in absentia in 1979 by the Vietnamese-backed government that took over Cambodia after Hanoi's army toppled the guerrillas.

That proceeding, though, was seen as a show trial and has not been recognized as legitimate by the international community.

King Sihanouk said that Pol Pot was a "monster," but a deceptive one who exuded charisma and smiled all the time.

Pol Pot "appears to be a very gentle person, a lamb. He is not like Hitler, Mussolini or Stalin, who were tough guys," the 73-year-old monarch told the paper.

"You cannot imagine that he is a monster like Frankenstein. When you see the film 'Frankenstein' with Boris Karloff, you actually see a monster. He is therefore very dangerous because he can deceive you easily.

"When you see him, you cannot conceive he is the murderer of two million people. We Cambodians are so unlucky, as no (other) country can say they created someone like Pol Pot."

The king accused the rebels of corruption and treason not only for the atrocities committed against their countrymen, but also for selling off vast quantities of Cambodia's natural resources for their personal gain both now and in the past.

"They pretend to set up a new clean society," the king said. "But the fact is that even they are corrupt and sell out their country's forests and other precious resources to foreigners so they can live in air-conditioned houses while their cadres live in poverty.

"That is not equality. And they use those funds also to support an army which kills other Cambodians, blows up bridges and destroys highways."

The Khmer Rouge are estimated to make between 10 and 20 million dollars per month selling gem mining and logging concessions in the areas in the north and northwest that they control.

Cambodia: Official on Fate of Khmer Rouge Leaders

BK0503131196 Phnom Penh REAKSMEI KAMPUCHEA in Cambodian 4-5 Mar 96 pp 1, 2

[FBIS Translated Text] A military intelligence official has told REAKSMEI KAMPUCHEA that according to military intelligence reports and accounts by Khmer Rouge defectors, upon learning that government troops have taken the Phnum Veng base, a number of Khmer Rouge leaders fled from Pailin to Phnum Veng, as it is only about 15 km away.

According to reliable reports, Khieu Samphan, leader of the Khmer Rouge's provisional government, and his minister Son Sen, fled from the Pailin area to the Phnum Malai peak in Banteay Meanchey Province opposite the Thai border.

Nuon Chea, a close aide of Pol Pot, has also fled Pailin but not to Phnum Malai. He went southwards of Pailin to the western part of Pursat Province where there is presumably a hidden military command post organizing the resistance of the remaining rebels against the advance of the Khmer Royal Armed Forces on Pailin.

The official added that according to accounts by Khmer Rouge defectors and reports of intelligence units approaching Pailin, there is no news on the whereabouts of Pol Pot; whether he has fled, or where he is now since before the military campaign. However, a year ago, it was known that Pol Pot was living in a forested area south of Pailin adjoining Thailand's Trat Province, which is considered a safe place.

The official added that since the occupation of Phnum Veng, Khmer Rouge leaders have fled to various areas for their safety now and in the future as they realize that they cannot prevent Pailin from being taken this year.

He also added that government troops have been ordered to arrest these Khmer Rouge leaders. If this happens, they would stand trial for the massacre of millions of Cambodians committed when they were in power from 1975 to 1979.

However, the official acknowledged that "we did receive the plan to arrest Khmer Rouge leaders, but since they are high-ranking officials, they are certainly aware of this and would not let themselves be caught, and would hide in safe areas."

The news of the government occupation of Phnum Veng will certainly encourage its troops. The Khmer Rouge is certainly aware of its defeat. However, the road from Phnum Veng to Pailin is not easy. The Khmer Rouge still has four tanks deployed against government troops.

Other military officials added that while the report on the Phnum Veng occupation is true, Phnum Veng is a long strip of land covering a large area, and that we are not in control of it entirely. We only control a large part of Phnum Veng, which is also the most important part. This is a major base before Pailin. The obstacle now is landmines and prudence is required in the push forward.

Cambodia: Khmer Rouge Minister on Current Situation

BK0503064396 (Clandestine) Radio of the Provisional Government of National Union and National Salvation of Cambodia in Cambodian 2330 GMT 4 Mar 96

[Interview with Mak Ben, "minister of rural area, agriculture, and water," by unidentified correspondent on the weekly meeting of the Provisional Government of National Union and National Salvation on 4 March — recorded]

[FBIS Translated Text] [Correspondent] Greetings Your Excellency. Please inform the compatriots about the meeting of the Provisional Government of National Union and National Salvation [PGNUNS] on 4 March.

[Mak Ben] On 4 March our PGNUNS cabinet paid attention to discussing the factors contributing to the defeat of the 18th dry season campaign of the two-headed government, lackey of communist Vietnam, and its impact on the communist Vietnamese regime in the coming rainy season, and in the future.

By early March, it will be four months since the 18th dry season ended. The rainy season will be here in two months. The two heads have not only failed to defeat the resistance forces but have been dealt serious blows. Two-headed troops, officers and men, have died or been wounded or incapacitated. They have been routed and their morale broken. They have deserted battlefields and left the two heads, who have almost run out of soldiers for the fighting.

Almost six seasons have passed since the alliance and communist Vietnam concocted the two-headed government in 1993. From one season to another the traitorous two heads have increasingly been heading downhill. Frantic efforts to assist them and to provide them with aid here and there have failed to improve their deteriorating situation.

The dry season has a strategic role for the two heads, who rely on tanks and artillery pieces. However, they are still being defeated. In the rainy season they will be dealt further blows. They are moving further downhill into great and intricate crises.

In sum, the two-headed government cannot continue the communist Vietnamese aggressors' war at will. Our

people are able to struggle to end the communist Vietnamese aggressors' war and will certainly be able to do so. The current political, military, economic, and social situation of the two-headed government is born from the real nature of the two heads in their role as out-and-out lackeys of communist Vietnam and the alliance. They are continuing the communist Vietnamese aggressors' war and have committed treacherous acts selling off and killing the nation and people. They steal from the nation, skin the people alive, and are very corrupt. They are rotten to the core. This very serious situation of the two-headed government is also the result of the persistent struggle of our entire nation and people, along with the PGNUNS and the National Army of Democratic Kampuchea, and in particular, the valiant, courageous, and brave struggle of the poor peasants, who have been skinned alive by the enemies. These peasants have no other way than to rise up and struggle in order to survive. This struggle by poor peasants has been gaining momentum and expanding; nothing can stop it. This is the rope that will hang the two heads.

[Correspondent] Thank you, Your Excellency. Reports say that the two heads have robbed money and used it to buy tanks to fuel the war killing the nation and people. What is your view on this? Please explain.

[Mak Ben] Needless to say, the people are more than angry about this. The people are starving and the two heads have used the money to buy tanks to wage war to kill the nation and people. The two heads are killing the nation and people so that communist Vietnam can annex Cambodia and allow ethnic Vietnamese to flow into Cambodia to take over people's land. This is what the lackeys of communist Vietnam and the alliance are doing.

[Correspondent] What is the stance of the PGNUNS in solving the famine?

[Mak Ben] The root cause of the famine is communist Vietnam's war and the fact that the two heads have betrayed the nation, are very corrupt, and are out-and-out lackeys of communist Vietnam. They are implementing a policy of using starvation and famine as weapons to kill off the Cambodian race to enable Vietnam to annex Cambodia as a second Kampuchea Kraom [former Cambodian territory now part of southern Vietnam].

The famine problem should be solved at its root cause, namely, communist Vietnam's war should be ended and the nation-betraying regime terminated so that Cambodia can be peaceful and reconciled again.

[Correspondent] Another question if you please. The UN representative on human rights recently went to

Phnom Penh to assess the situation for the election in 1998. What is your view?

[Mak Ben] Communist Vietnam and the alliance are colluding to stage a deceitful election in 1998. Local and foreign opinion agree that the 1998 election will be held during the fascist regime of communist Vietnam and Hun Sen, communist Vietnam's ringleader. The result of the 1998 election can already be seen. The result will benefit communist Vietnam and Hun Sen while other parties, such as that of Ranariddh, are just a smokescreen.

[Correspondent] Thankyou, Your Excellency.

Cambodia: Sihanouk Fears FUNCINPEC's Disappearance After His Death

*BK0603043396 Hong Kong AFP in English
0351 GMT 6 Mar 96*

[FBIS Transcribed Text] Phnom Penh, March 6 (AFP) — Cambodia's King Norodom Sihanouk has said his son, First Prime Minister Prince Norodom Ranariddh, will succeed him on the throne but fears that the royalist political party the prince now leads may disappear as a result.

The royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party "would disappear, as Ranariddh would be king and a king must not have a party, even indirectly," the 73-year-old constitutional monarch, in a rare interview published Wednesday, told the publisher of the Cambodia Daily newspaper.

The king said that his half-brother, Prince Norodom Sirivut, the former secretary-general of FUNCINPEC who was convicted in absentia last month of plotting to assassinate co-Premier Hun Sen and sentenced to 10 years in prison, might have been best able to carry the party forward.

Prince Sirivut, who now lives in exile in France, "has charisma, is popular and is an able man," the king told the paper. "(But) since Sirivut is 'politically liquidated' and Hun Sen is unlikely to pardon him for another 20 years, I fear FUNCINPEC will disappear."

FUNCINPEC, which won the 1993 UN-brokered elections here, was forced into a power-sharing agreement with the formerly communist Cambodian People's Party [CPP] led by Hun Sen and many observers have noted that FUNCINPEC popularity and prestige have waned since.

King Sihanouk, speaking Monday in Beijing where he is undergoing medical treatment, predicted that the CPP "for many reasons" might win the next general election

scheduled for 1998, further (?weakening) FUNCINPEC especially if Prince Ranariddh was already on the throne.

He also told the paper that the prince said Hun Sen supported him to be king.

The monarch quashed speculation that he wanted his wife, Queen Monineath, to succeed him on the throne, blaming rumors to that effect on people who do not like Prince Ranariddh.

He said he encouraged Prince Ranariddh to succeed him telling him: "Never continue to be prime minister. It is not good for you to maintain a clean reputation. Be a king without much power, but with honorability."

Cambodia: Commentary Blames Sirivut's Sentence on 'Traitor'

BK0603071296 Phnom Penh SAPORDARMEAN SEREIPHEAP THMEI in Cambodian 28 Feb 96 pp 1, 4

[Commentary by Som Vireak: "Cambodians Are Saddened, Not Terrified, by the Verdict"]

[FBIS Translated Text] Which of us is terrified if we all know that the verdict passed on Prince Kromkhun Sirivut was ordered by a traitor? And who is this traitor? He is none other than the man who acquired power through acts of plunder and who is the head of this semilegal government.

Politicians in Cambodia can be compared to dogs during mating season. Any dog that has long sharp fangs and is stronger is sure to win. Politicians in Cambodia deserve to be compared to dogs because most are shameless. Some have secured power through deception, the use of armed force, threats to kill people, or even through such shameless acts as pulling their pants down.

A man who has lost an election and stubbornly refused to acknowledge his defeat — is he not a dog? Lately, this man-cum-dog is enjoying his ill-gained power to the hilt and is using great violence to persecute his opponents, including ordinary citizens such as [newspaper editor] Nuon Chan and [radio announcer] Ek Mongkol. Prince Kromkhun Sirivut is no exception. The Phnom Penh Municipal Court's decision to imprison Prince Sirivut for 10 years in absentia is neither surprising nor terrifying for Cambodian citizens, because the Cambodian tribunal has not changed since 1979. What has saddened and discouraged people, however, is the fact that a very popular patriot will not be able to return home for a long, long time.

Not just in Cambodia, but all over the world it is widely known that the Cambodian tribunal is unjust

and far from independent. The current justice system in Cambodia does everything at the bidding of the dictators as if it had been set up just to defend the traitors. How can it do otherwise if its very existence is also under threat?

Besides the fact that Prince Sirivut has been sentenced to 10 years in prison, Cambodian citizens and the national and international communities clearly understand that this is nothing but a political show aimed at intimidating other opponents.

When will the Cambodian tribunal be independent? When will tribunals in Cambodia adjudicate cases fairly? There can never be justice as long as traitors remain in power.

Cambodia: Paper Speculates on Cabinet Reshuffle

BK0603104996 Phnom Penh ARIYEAKTHOR in Cambodian 2-3 Mar 96 pp 1, 3

[Report by Marina]

[FBIS Translated Excerpt] [passage omitted] It is a joy for the public to hear the unofficial news that officials at the Ministries of Agriculture, Tourism, and Information will be replaced. According to the unofficial news, Minister of Tourism Veng Sereivut, who was married recently, will probably replace Tav Senghuo as agriculture minister. Officials at the Agriculture Ministry cannot believe this news because agriculture is a specialized field and not just a post for reading reports. Veng Sereivut does not have any expertise or qualifications in agriculture. If a reshuffle is actually planned, the replacement should be Mai Sam-oeun. He is currently deputy minister from FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia]. He is very qualified in agriculture. Mai Sam-oeun has caused headaches for Agriculture Ministry staff. His handwriting is terrible; it is worse than tracks left by a walking crab and is difficult to read. He is, however, better than Tav Senghuo in terms of capabilities and knowledge.

Ho Sok, currently state secretary at the Interior Ministry, has been appointed FUNCINPEC deputy general secretary. He is an Interior Ministry official from FUNCINPEC who is active among rural people. This has led people to think that the interior minister post, currently a co-ministerial position, may not last, because the decision by consensus to restructure departments at the Interior Ministry at the colonel level has led to conflict, which has been hindering the administrative organization of wards and districts nationwide.

Om Yinteng, adviser to Samdech Second Prime Minister Hun Sen, is expected to become deputy minister

of information, replacing Khieu Kanharit; the latter will probably be moved to tourism.

Various circles think that the Royal Government, led by the two samdech prime ministers, would be greatly relieved if a reshuffle does take place in accordance with this unofficial news. Without a reshuffle, however, the Royal Government, despite its development efforts, will go down in history as an era of corruption in which officials took bribes commensurate with their ranks through consensus and through expertise.

Cambodia: Royal Army Kills Rebels in Northwest Provinces

BK0703100896 Phnom Penh THE CAMBODIA TIMES in English 3-9 Mar 96

[Unattributed report — received via Internet]

[FBIS Transcribed Text] Phnom Penh — The Royal Cambodian Armed Forces (RCAF) killed 109 Khmer Rouge guerillas and wounded 64 others lately during heavy fighting in the northwestern provinces of Battambang, Banteay Meanchey, Pursat and Kompong Chhnang.

During the same period, 28 RCAF soldiers were killed and 94 injured.

Information Ministry spokesman Sieng Lapresse said a large cache of assorted weapons, mines, explosives, booby traps and rice were seized.

"We have seized 54 assorted weapons, 752 mines, 540 kilogrammes of TNT explosive, two bottles of unknown poison, 24,000 booby traps and 6,660 kg of rice," he said. He added that 12 Khmer Rouge shelters were also destroyed.

Lapresse said Khmer Rouge rebels had abducted 29 villagers in the provinces where the fighting took place. As a result, six villagers were killed and three others wounded.

Indonesia

Indonesian President Meets French, Irish Leaders in Bangkok

BK0403103596 Jakarta ANTARA in Indonesian 1451 GMT 2 Mar 96

[FBIS Translated Text] Bangkok, 2 Mar (ANTARA) — President Suharto will discuss France's desire to join the ASEAN Regional Forum (ARF) with the other members of the forum.

"The Indonesian head of state promised that he will discuss the issue with the other ARF members," Minister and State Secretary Murdiono said while briefing jour-

nalists on the outcome of President Suharto's meeting with his French counterpart Jacques Chirac in Bangkok on Saturday afternoon.

Chirac said France wants to join the ARF because his West European country has paid little attention to the rapid development in Asia in the past. Chirac said France will pay more attention to Asia in the future.

The ARF is made up of ASEAN and several of its dialogue partners, including the United States, Canada, China, Japan, South Korea, Australia, and New Zealand.

Chirac also told the head of state he wants to visit Indonesia to learn about the progress of development in the country.

Murdiono said President Suharto expressed his hope during the half-hour meeting that French businessmen will boost their investment in Indonesia, especially in building infrastructure facilities for telecommunications, electricity supply, and transportation.

On Saturday, President Suharto also received Irish Prime Minister John Bruton. During the meeting, Bruton asked President Suharto to explain the situation in East Timor. This is because Ireland will take over leadership of the European Union (EU) in the middle of this year. President Suharto said the people of Ireland can visit Indonesia to witness the development in East Timor and other provinces for themselves. Bruton said he raised the question of East Timor because most EU members are still following the progress of development in Indonesia's youngest province.

President Suharto and Murdiono left Bangkok for Jakarta on Saturday afternoon after attending the 1-2 March Asia-Europe Meeting.

Indonesia: Commentary Views 'Success' of ASEM

BK0403100096 Jakarta Radio Republik Indonesia Network in Indonesian 0000 GMT 4 Mar 96

[Station commentary: "The Success of the Asia-Europe Meeting and Indonesia's Success"]

[FBIS Translated Text] Though the historic informal meeting has not yet produced concrete results, various interests of Asia and Europe converged through economic cooperation and political dialogue. The Asia-Europe Meeting (ASEM) that ended in Bangkok, Thailand on Saturday was a success. The meeting was attended by 15 European and 10 Asian leaders. The leaders from the two continents expressed their determination to increase the flow of capital and investment. The 25 Asian and European leaders agreed at the inaugural summit to enhance dialogue on the basis of mutual respect; equality; the protection of fundamental rights;

and noninterference in each other's internal affairs, either directly or indirectly.

One thing worth noting is Indonesia's success — the East Timor issue was not discussed at the prestigious summit. Foreign Minister Ali Alatas said earlier that it would be irrelevant to discuss the East Timor issue at the ASEM, although Indonesia would be prepared if Portugal insisted on raising the issue. Accordingly, Indonesia once again showed its credibility as a country that is increasingly to be reckoned with on the international political and economic scene.

Against the backdrop of the ASEM's success, Indonesia achieved important successes through bilateral talks between President Suharto and a number of Asian and European leaders on the sidelines of the summit. During talks with Chinese Prime Minister Li Peng, the head of state received Beijing's assurance that the land of the Bamboo Curtain will not launch a military invasion against Taiwan, which it considers to be a renegade province. Instead, it will use peaceful means to settle the conflict. According to Li Peng, China is also determined to achieve long-term stability and peace in Asia. Beijing's assurance is important because China conducted war games near Taiwan's waters some time ago, and the world is alarmed over a possible civil war in the region.

During talks with French President Jacques Chirac, President Suharto welcomed President Chirac's desire to visit Indonesia. The visit will further enhance economic and trade relations between the two countries following Paris's stated intention to become a member of the ASEAN Regional Forum.

Indonesia: Editorials View Outcome of Asia-Europe Meeting

BK0403095696

[FBIS Report] Two Jakarta Indonesian-language dailies carry editorials on 4 March on the conclusion of the first Asia-Europe Meeting, or ASEM, in Bangkok.

KOMPAS carries an 800-word editorial on page 4 entitled: "The Implication of the ASEM is the Importance of Putting Our House in Order." It notes: "The historic two-day meeting closed in the Thai capital of Bangkok on Saturday. The Asian and European leaders were satisfied with the success of the first ASEM. Despite different perceptions on human rights and political democratization, the 10 Asian and 15 European leaders agreed to undertake economic cooperation and conduct political dialogue as well as hold a summit every two years — in Britain in 1998 and South Korea in 2000."

KOMPAS says that the Asian and European leaders have opened a new era in their once unpleasant relations, citing Indonesian President Suharto's bilateral talks with Portuguese Prime Minister Antonio Guterres on the East Timor issue. The daily urges Asia and Europe to develop economic synergy, as the Asia-Pacific region is achieving impressive economic growth.

KOMPAS notes that countries have forgotten their political and ideological conflicts since the end of the Cold War and are now concentrating on economic cooperation. The daily hails economic cooperation between developing and developed countries through forums like ASEM and Asia-Pacific Economic Cooperation, or APEC, that strive to achieve free trade.

"Through these forums, the developing countries are expected to catch up economically. The developing countries must put their houses in order by improving their economic infrastructure as well as work ethic. In return, the developed countries should contribute to the development of the developing countries on the basis of the spirit of partnership and mutual help. The developed countries themselves will be disadvantaged if they fail to do so. High purchasing power among the peoples of the developing countries will benefit the marketing of products by the developed countries. On the other hand, low purchasing power will make it difficult for the developed countries to sell their products."

According to KOMPAS, Indonesia's membership in APEC and the ASEM clearly shows the country's important position and role stemming from its impressive development. "The recognition of Indonesia's important position and role will hopefully motivate the Indonesian people to move ahead. Certainly Indonesia has been challenged to compete with other nations economically in terms of the quality of products, prices, and services. Efforts to enhance the work ethic and improve the quality of products should be coupled with those to abolish all kinds of levies, protection, and monopolies. Unless all the obstacles are immediately abolished, Indonesia will face difficulty in speeding up the integration of its economy into a global economic system that emphasizes free and open trade."

SUARA KARYA carries a 500-word editorial on page 5 entitled: "The Outcome of the First ASEM in Bangkok." The daily expresses satisfaction with the outcome of the first ASEM, saying controversial issues were avoided and the participants agreed to undertake economic cooperation and conduct political dialogue on the basis of the principles of partnership. Indonesian President Suharto and Portuguese Prime Minister Antonio Guterres held bilateral discussions on the East Timor issue.

The first ASEM closed with a chairman's statement that essentially seeks to build Asia-Europe partnership for greater growth. There is an interesting point. In addition to enhancing free trade and investment, the participants agreed to enhance the participation of small and medium businessmen in business activities in general. Earlier, Indonesia succeeded in promoting the concept of the participation of small and medium businessmen in APEC. With the basic points endorsed at the first ASEM, a basic framework of interregional cooperation (in the Asia-Pacific region and between Asia and Europe) has thus been laid. Geostrategically, essentially economic cooperation through the APEC and the ASEM has virtually supplemented Atlantic cooperation (between Europe and North America). The question is to what extent can interregional cooperation serve as the basis for the creation of a peaceful and just community of nations in the 21st century. In our opinion, the answer will be strongly determined by how consistently the principles of partnership and dialogue are implemented as well as by efforts to reform the United Nations."

Indonesia: Pakistan's Bhutto Requests Support To Join ASEM

BK0703142796 Jakarta ANTARA in Indonesian 1041 GMT 7 Mar 96

[FBIS Translated Excerpt] Jakarta, 7 Mar (ANTARA) — Mrs. Benazir Bhutto, prime minister of the Islamic Republic of Pakistan, has requested President Suharto's support to enable Pakistan to become a member of the Asia-Europe Meeting (ASEM) forum.

"Pakistan requested Indonesia's support to enable the country to join ASEM in the future," Minister-State Secretary Mardiono told reporters at Jakarta's Merdeka Palace on Thursday following the two leaders' talks. [passage omitted on ASEM background]

Mardiono said the Pakistani prime minister also sought Indonesia's experience in managing its foreign debts during the talks. The two leaders also witnessed a ceremony for the two countries' ministers to sign agreements on economic cooperation and investment promotion. [passage omitted on Bhutto's itinerary]

Indonesia: Kidnappers Demand Negotiations To Free Hostages

BK0603060696 Jakarta KOMPAS in Indonesian 6 Mar 96

[Unattributed report — received via Internet]

[FBIS Translated Text] Jayapura, KOMPAS — The security disturbance movement (GPK) that calls itself the Free Papua Movement Revolutionary Council wants

to hold negotiations to settle the hostage crisis in Irian Jaya.

Meanwhile, Major General Syamsir Siregar, chief of the Intelligence Agency of the Armed Forces of the Republic of Indonesia (ABRI), said in Jakarta that the ABRI is always ready to launch a military operation against the Irian Jaya GPK.

GPK

The GPK wants a government negotiating team to include Foreign Minister Ali Alatas; Megawati Sukarnoputri, general chairwoman of the Indonesian Democratic Party Central Executive Council; Wahono, speaker of the House of Representatives and chairman of the People's Consultative Assembly; international organizations; and other leaders.

"We have been waiting for negotiations for a week," Mozes Weror said when contacted by KOMPAS from Jayapura on Tuesday evening (5 March). Weror claims to be the GPK chairman as well as a member of a GPK negotiating team based in Madang, Papua New Guinea.

Four Britons and two Netherlands — including Martha Klein, who is pregnant — are among the hostages held since 8 January 1996.

According to Weror, the GPK negotiating team will determine the venue and date for negotiations. On behalf of the GPK, he announced the names of the government and foreign officials who should be part of the government negotiating team. Weror also demanded the presence of British, Netherlands, and UNESCO representatives as well as the leader of the International Committee of the Red Cross (ICRC) and Jayapura Bishop Monsignor Herman M.F. Munninghoff O.F.M. [Ordo Fratrum Minorum] as a Vatican representative.

"I am not restricting the delegation to these names. The ABRI can also join the delegation. I have stated that we (GPK) are not hostile to the ABRI. Thus, the ABRI can be part of the delegation," said Weror, who was an official of the Department of Foreign Affairs of the Republic of Indonesia before Irian Jaya became Indonesian territory in the early 1960's.

Deadline: September

Weror said the release of the hostages being held by Kelly Kwalik and Daniel Kogoya will strongly depend on the results of the upcoming negotiations. He added that their release will be considered when the UN General Assembly meets in September if there are no negotiations or if the upcoming negotiations fail.

"The later the negotiations take place, the worse the condition of the hostages will be and the more difficult a

solution will be. Thus, everything depends on them. The later the negotiations take place, the worse the hostages' health will probably become," he said.

Network

Weror revealed that the GPK could easily monitor developments in the hostage crisis thanks to the support of an intelligence network based in Port Vila, capital of Vanuatu. The GPK's control center in Madang knows what happens in Jakarta. "Just for your information, not only do we have couriers to link us to the chief captors in the field, we also have a network of sophisticated telecommunications equipment such as telephones, fax, and Internet," Weror said.

Replying to a question, Weror said he planned to meet Vanimo Bishop Monsignor Cerare Boniveto on Wednesday.

Prince Bernhard

Armed Forces chief General Feisal Tanjung held a working meeting with Commission I of the House of Representatives of the Republic of Indonesia [in charge of foreign affairs, defense, security, and information] in Jakarta on Tuesday (5 March). On this occasion, Maj. Gen. Syamsir Siregar reaffirmed that the ABRI is always ready to launch a military operation to release the hostages in Irian Jaya. A military operation, however, will not guarantee the safety of the hostages because they are scattered in various places.

Meanwhile, Prince Bernhard of the Netherlands is confident that the Indonesian Government will be able to settle the hostage crisis. He hopes that no force will be used to settle the crisis because the lives of the hostages are at stake. He said this on the terrace of the Merdeka Palace in Jakarta on Tuesday (5 March) after meeting President Suharto. Prince Bernhard will visit several places to see nature and wildlife during his one-month stay in Indonesia. Prince Bernhard said there is no need for the Netherlands to play an active role in the efforts to secure the release of the hostages and hoped that the ICRC could help the Indonesian Government secure their release.

According to Syamsir Siregar, the hostages are scattered in various places, situated about 30 km from Mapaduma village. "Mapaduma itself can be reached only by a small helicopter — a four-seater. The hostage site can only be reached by local residents and it takes three days," he added.

Accordingly, the ABRI continues to adopt persuasive means. "Nevertheless, we will certainly be ready if we are instructed to launch a military operation," he stated.

Siregar revealed that the captors said several days ago that they would release the hostages. "The hostages will be released on condition that the event be witnessed by the Netherlands and British ambassadors and covered by CNN. This is unacceptable," he said.

Touching on reports that the ABRI has sent a large number of troops to free the hostages, the ABRI Intelligence Agency chief said the reports are totally untrue. "No. We have sent only 120 men led by a lieutenant colonel," he stated. The Armed Forces chief and the ABRI Intelligence Agency chief firmly said that the presence of six generals (such as the commander of the Army Strategic Reserve Command, the commandant of the Army's Special Forces, and the Director A [not further specified] of the ABRI Intelligence Agency) in Irian Jaya some time ago did not mean that the problem was serious. "They were there to check the real situation, and there are no more generals in Mapaduma," the Armed Forces chief and the ABRI Intelligence Agency chief stated.

Indonesia's Merpati Airlines Suffers Losses, Requests Subsidy

96SE0035A Jakarta BISNIS INDONESIA
in Indonesian 10 Feb 96 p 5

[FBIS Translated Text] Jakarta (BISNIS INDONESIA)—The operational losses suffered by PT Merpati Nusantara Airlines are increasing, and the Board of Directors of the BUMN [State Enterprises Board] is asking the government to provide a subsidy on the costs of using pioneering aircraft for flights on experimental routes.

Budiarto Subroto, managing director of PT Merpati Nusantara Airlines, said that as a result of the number of experimental routes which the company is required to fly, the losses experienced by Merpati over the past few years have continued to increase.

In 1991 Merpati lost 10 billion rupiahs. This loss rose to 24 billion rupiahs in 1992, to 39 billion in 1993, and to 88.93 billion in 1994. In 1995 the airline, a subsidiary of Garuda Indonesian Airways, lost 93.12 billion rupiahs.

These losses, Budiarto added, were suffered because of the large number of experimental and pioneering routes which Merpati has flown, in addition to strong competition on other routes. Furthermore, the airline has invested in providing flight training to 437 people over the past five years. This activity has cost a substantial amount of money.

Because of this situation the Board of Directors of Merpati has asked the government to provide a subsidy

on the costs of using experimental aircraft to fly on lightly traveled routes.

He said that so far the government has only provided subsidies calculated on the basis of passengers carried on the lightly traveled routes. As a result, the income from such flights has barely reached the break-even point.

In testimony before Committee V of Parliament on 9 February Budiarto said: "Even if the cost of using pioneering aircraft is included in the flight operations subsidy provided by the government, the company will still suffer a loss. This is because the cost of using pioneering aircraft is included in the company balance sheet."

The support received by Merpati Airlines from the national budget is to replace simple flight operational costs on the 38 routes which the airline flies in Irian Jaya.

Budiarto said that during fiscal year 1994/1995 support from the national budget provided to Merpati Airlines amounted to 6.18 billion rupiahs, including support for the operations of Sabang Merauke Air Charter Company. Meanwhile, during the 1995/1996 fiscal year assistance under the national budget for Merpati Airlines alone amounted to 4.81 billion rupiahs.

He said: "The plan for assistance on experimental routes which Merpati Airlines hopes to obtain during fiscal year 1996/1997 is 8.6 billion rupiahs. This plan has been submitted to BAPPENAS [National Development Planning Board] through the Directorate General of Air Communications."

In 1996 Merpati Airlines will add three, "Twin Otter" airplanes for the expansion of its fleet of aircraft, particularly for use in Irian Jaya. Furthermore, Budiarto said, there are other routes which Merpati Airlines flies on which it obtains no subsidies at all from the government. For that reason his company will be forced to close down these routes because of losses suffered.

At present a total of 164 experimental routes are being flown by Merpati Airlines, or about 75 percent of all of its routes. Meanwhile, there are only 24 highly profitable routes, or about 11 percent of the total number of routes flown. The remaining 30 routes, or 14 percent of the total, bring in a moderate return.

Philippines

Philippines: Ramos Views U.S., PRC, Talks With Muslims

*BK0703073596 Quezon City Radio Filipinas
in English 0230 GMT 7 Mar 96*

[Weekly news conference by President Fidel V. Ramos before domestic and foreign correspondents, moderated by Press Secretary Hector R. Villanueva on 6 March; place not given — recorded]

[FBIS Transcribed Excerpt] [passage omitted] [(Shuga)] Good afternoon, Mr. President. My name is (Oyo Shuga), (?home) reporter, CBS (?Corporation) Broadcasting System of Japan. Two questions, Mr. President. First, after the Cold War, the United States of America stated then to maintain the safety of Far East countries or Asian countries. So, America will deploy 100,000 military men to this area. How do you comment on this American military strategy?

Second, after the US military bases have left from the Philippines, is there any cooperation for security guarantee for your country?

[Ramos] You know, it might take up the whole day to answer your two questions, but I will try my best.

I will just give you an answer to the two because they are related.

First, in regard to our external defense — meaning how we defend ourselves in the Philippines from external threats or attack — while it is true that the US forces have departed from the Philippines because of the termination of our Military Bases Agreement as of 1991, the Philippines continues to enhance its security, in a way of a (?creative) diplomacy, a way of inter-linking with all the countries around us and all other parts of world, through economic cooperation, a cooperation with mutual concerns that enhance our stability and understanding among each other, the most recent being our ASEM meeting — Asia-Europe Meeting — of the heads of governments and heads of states. Japan was there and nine other countries in Asia were there, including the Philippines and all of ASEAN, heads of the EU, 15 countries plus the president of EU.

This kind of networking is what is the preferred arrangement now around the world, because, the Philippines has always said, after 1991, that the basis of our relationship with the U.S. should be of trade and not aid.

Secondly, under the various United Nations international agreements and conventions which has (?benefited) the Philippines is being enhance the accession of the Philippines to UNCLOS [UN Convention on the

Law of the Sea] and the final ratification of the UNCLOS by a majority of the members of the United Nations has provided a very strong security blanket for the maritime and archipelagic countries like the Philippines, including Japan.

Now, as far as the announcement — which at the moment is on the newspaper announcements, but assuming that these are correct — coming from the U.S. Government, (?actual) military exercises with the (?nations) of the Asia-Pacific, well, this is a part of what the U.S. calls its constructive engagement in the Asia-Pacific area. And so, you know the big powers are constructively engaged with us and among themselves, [words indistinct] (?and other) middle-level countries, like the Philippines.

[(Shuga)] Thank you very much.

[Ramos] Thank you. [passage omitted]

[Villanueva] From the TIME Magazine and THE MORO TIMES, Miss Leni Sandayan.

[Sandayan] Sir, in May, when the Mindanao..., when the stalled, or recessed, Mindanao peace process resumes, what can be expected?

[Ramos] Well, there is a recess until late May. I do not think we should second-guess our negotiators on both sides, but the general guide to them from day one, when we started the peace process, is: let us be as creative, let us be as responsible, let us be as constructive, because it is really peace and development that we are after in the southern Philippines. In the press con [conference] yesterday, I said essentially the same thing, and I hope you can provide the tape to them, because they were not there.

I said, peace without development is meaningless and, certainly, I said development without peace, and continued peace, will not work, because even, as before, millions and millions of pesos of resources into development, if peace is not on the ground, then nothing will be completed.

[Sandayan] Sir, but the deadlock....

[Ramos, interrupting] A recess is not a deadlock, it is a merely a (?spell) for continued renewing, studying, recharging and, hopefully, repackaging.

[Sandayan] But the recess cut short the meeting, sir.

[Ramos] Well, I told you of what I know, so let us not second-guess them; let us make the peace process work, and I would like them to hope that, especially to you who are from Mindanao. Okay? Thank you.

[Villanueva] Last three questions. Mr. Nards Belen of the MANILA BULLETIN.

[Belen] Good afternoon, sir. This will cover the Mindanao problem here. I have two questions. The [words indistinct] Presidential Adviser Alexander Aguirre, who was quoted in a newspaper report, I think it was yesterday, that the Philippine Government can enter into a compromise agreement with the MNLF [Moro National Liberation Front] without violating our Constitution, and that compromise agreement is about the expanded autonomous government for Misuari.

[Ramos] Excuse me, no [preceding word in Tagalog]. Mr. Nards, no, there is no agreement yet. What we have are talks and negotiations at three levels. There is a group of so-called support committees to take care of various administrative and smaller concerns; then there is a mixed-committee that looks at these various arrangements from the support committees and other areas; and then there is the formal talks that take place.

What has had been agreed upon are, in the words of the...both chairmen, both of them, [words indistinct] recent joint communique in the third round of talks in Indonesia, is that the majority of the 83 areas of discussions have been agreed to, but not the territories. Would you like to ask your second question?

[Belen] So, we are getting an assurance that [words indistinct] territorial integration is....

[Ramos, interrupting] It has been reiterated over and over again by Chairman Yan, our chairman of the negotiating panel.

[Villanueva] Jomarie Momento.

[Ramos] Can we let these be the last three questions? You have three [word indistinct] lined up for me and I would like to give justice to all of them.

[Momento] This is a follow-up on the Muslim problem. Some governors, Muslim governors, have proposed to cut-out new provinces to make way for an autonomous region. What do you think of this creative proposal?

[Ramos] Well, again these are just proposals. I will not comment on proposals.

[Momento] Okay, sir, one last question. This is on another issue. We will have a meeting with China, maybe next week. So what do we expect from this meeting (?having) from your talk with the president in Bangkok, the Chinese president [title as heard] in Bangkok.

[Ramos] This is at the level of the vice-ministers. Our representative is undersecretary of foreign affairs, Vice Minister Rodolfo Severino, who was with us in Bangkok. The head of the Chinese delegation is the vice foreign minister, but I do not know his name. We

are very optimistic about a productive outcome of those talks. This is already at the very high level. The first talks, as you will recall, were on the level of senior officials, last year, and this is also on the code of conduct between China and the Philippines. Now, this is at the higher level, vice ministerial.

[Memento] So do we expect something bigger than the code of conduct?

[Ramos] Well, I am very optimistic. [passage omitted]

Philippines: Ramos Urges 'Moratorium' on Nuclear Testing

*BK0603024496 Manila PNA in English
0717 GMT 5 Mar 96*

[Received via Internet]

[FBIS Transcribed Text] Bangkok, March 1 (PNA) - President Ramos today called for a moratorium in nuclear testing and the need to control the proliferation of weapons of any kind acquired by all countries.

The president issued the call at the first Asia-Europe Meeting (ASEM) hosted by Bangkok at the Queen Sirikit National Convention Center (QSNCC).

He went further on the proposal by European countries to stop the proliferation of weapons of mass destruction such as nuclear bombs and biological and chemical weapons by suggesting to include all types of weapons.

A retired four-star general, the president stressed the importance of keeping active the United Nations Register for Conventional Arms.

This will enable the UN to monitor the inventory of armaments acquired by all nations worldwide.

The president said the Philippines has been faithfully reporting its weapon inventory to the UN.

To effectively monitor the flow of weapons to countries, the president also proposed that the creation of a regional arms register.

The Philippines had earlier proposed this program to the Southeast Asia.

Pending the conclusion of the Comprehensive Nuclear Test Ban Treaty which everybody promised to conclude this year, the president said nuclear states should observe a moratorium on nuclear testing.

He said the European Union (EU) could share some relevant aspects of their experience in conflict management that will apply to Asia-Pacific situation.

Philippines Official on Scheduled Talks With PRC on Spratlys

*BK0703014196 Manila PNA in English
1332 GMT 6 Mar 96*

[Received via Internet]

[FBIS Transcribed Text] Manila, March 6 (PNA) — China and the Philippines have scheduled fresh internal talks at the vice ministerial level to further enhance bilateral cooperation between them and pursue a possible breakthrough in the Spratlys issue.

The new talks, set 14-15 March in Manila, follow the bilateral discussions between President Ramos and Chinese Prime Minister Li Peng over the weekend in Bangkok where they attended the recently-concluded landmark 25-nation Asia-Europe Meeting.

In a media briefing last Wednesday, Foreign Affairs Undersecretary Rodolfo Severino said he is set to hold discussions with his counterpart, Chinese Foreign Affairs vice minister Tang Jiaxuan next week in Manila but the exact venue has yet to be decided.

The Philippine-China talks in Bangkok, at the initiative of President Ramos, covered the Spratlys issue, Chinese nuclear testing, the case of the Filipino workers in Hong Kong when the Crown Colony reverts to China next year, and the current tension across the Taiwan Strait.

Severino said President Ramos and Premier Li Peng have agreed to have their vessels refrain from getting too close to each other's shores to avoid conflict, an issue raised by President Ramos in the wake of the intrusion of Chinese-looking vessels and their crew in Palawan and Zambales only recently.

The Philippines, he said, did not accuse China of intrusion although it was made clear the "vessels answer to the configuration of Chinese ships and the crewmen were apparently Chinese."

On the issue, Severino said, Minister Li Peng suggested that a determination must be made whether the vessels are owned by the Chinese Government or they are private ships acting on their own and if they belong to the latter category, the Philippines must prosecute them under its laws and China will cooperate.

Severino said he may also raise the issue of the reported new Chinese electronic installations on Mischief Reef in the Kalayaan Island Group in his talks with Vice Minister Tang Jiaxuan since their discussions will be informal.

The alleged new Chinese electronic installations on Mischief Reef was confirmed and reported by former Western Command Chief, Carlos Tanega.

Philippines: Analysts View PRC 'Structures' in Spratly

*BK0703020596 Manila BUSINESS WORLD
in English 7 Mar 96*

[Unattributed report — received via Internet]

[FBIS Transcribed Text] The new Chinese structures and antennas recently installed at the Spratly Island are said to be a sign of China's military expansion plans in the area. Military analysts in the Armed Forces of the Philippines (AFP) said although China has said these structures serve only as way stations for Chinese fishermen in the area, they will continue to doubt its veracity until an investigation is made. The AFP first learned of the new structures and possible electronic equipment after Air Force reconnaissance planes surveyed Panganiban Reef last month.

Navy Captain Rex Robles, deputy commander of the AFP Western Command said the "existence of modernized electronic equipment at the Spratly Island particularly on the areas claimed by the Chinese" are just normal improvements on the structure and should not be "any cause for alarm." Sources said the structures contain electronic equipment capable of eavesdropping on military frequencies. Navy intelligence officers however report sighting foreign military vessels in the area but added they remain in safe distance from Philippine Navy vessels to avoid conflict.

Philippines: Ramos Says South China Sea Vital to World Trade

*BK0503105396 Manila PNA in English
0717 GMT 5 Mar 96*

[Received via Internet]

[FBIS Transcribed Text] Bangkok, Thailand, March 1 (PNA) — European countries must substantially contribute to the enhancement of peace and stability in the South China Sea because developments in the area affect global trading, President Fidel V. Ramos said here yesterday (Feb. 29).

In an interview by the FINANCIAL TIMES at the Regent Hotel, the president said it is predicted that the bulk of global trade will pass through the region in the next 10 years.

"They should be interested because our part of the South China Sea is really the economic highway between Europe and ASEAN plus Japan, Korea, and China," the president told the FINANCIAL TIMES.

The president pointed out that the thrust of the government is in consonance with the 1992 Manila Declaration of the Association of Southeast Asian Nations

(ASEAN), which calls for the peaceful resolution of conflict in the South China Sea by all claimants as well as the joint exploration and development of the area.

"We have a very modest armed forces and although we have gained maybe the longest and the most intensive kind of experience in ASEAN in fighting internal threats, we do depend on friendship and diplomacy for our own external defense," the president said.

The Philippines, he said, encourages all interested countries to participate in the conduct of marine researches and underwater scientific workshops in the South China Sea.

"So, we will be happy to receive any proposal from any of the countries in Europe for cooperation in the area in terms of marine protection and nature conservation," the president said.

In the same interview, President Ramos said the first summit meeting of European and Asian leaders will enable the Philippines to strengthen its relations with the countries of both regions.

Philippines: Counterfeit Products Worth Millions of Pesos Destroyed

*BK0603044796 Manila PNA in English
0034 GMT 1 Mar 96*

[Received via Internet]

[FBIS Transcribed Text] Manila, Feb. 29 (PNA) — The Presidential Inter-Agency Committee on Intellectual Property Rights destroyed millions of pesos worth of counterfeit products to dramatize the government and private sector's campaign to protect consumers and combat infringements of intellectual property rights (IPR).

Trade Undersecretary Ernesto Ordonez and Executive Director Javier Carbonell of the Videogram Regulatory Board, led IPR teams in destroying fake signature pants and clothes, videotapes and cassettes, laser discs, household items, and consumer software programs.

They operated a bulldozer in crushing sunglasses, wrist-watches, and other consumer products seized during raids conducted by IPR enforcement teams.

About P [pesos] 99 million worth of goods confiscated last year resulted from the more than 2,100 apprehensions.

Ordonez said the Philippines is now leading Asian countries in implementing a model that gives the private sector a key role in IPR enforcement.

Organizations like the Philippine Association of Recording Artists (PARI), Council to Combat Piracy, Trademarks and Counterfeiting (COMPACT), and leading private companies like Walt Disney, Levis, Bausch and Lomb, and many others now actively participate with government.

Carbonell said the warehouse at the AFP [Armed Forces of the Philippines] Logistics Command will serve as a repository of volumes of confiscated items usually used as evidence in courts.

To put pressure against violators, Carbonell said several bills imposing stricter penalties are now in Congress for deliberation.

These bills strengthen government fight against unscrupulous individuals or firms and help it attract more investments from companies using technology or product prone for copying.

He said more firms have been monitored last year resulting to an increase in the compliance rate among them to abide to legal IPR and fair trade laws.

Members of the committee include the DTI [Department of Trade and Industry], Department of Justice, National Bureau of Investigation, Bureau of Customs, National Telecommunications Commission, Criminal Investigation Service, and the Philippine National Police.

Philippines: Military, Muslim Rebels Clash in Maguindanao

*BK0703104596 Manila BUSINESS WORLD
in English 7 Mar 96*

[Unattributed reprot — received via Internet]

[FBIS Transcribed Text] Government troops and the Moro Islamic Liberation Front (MILF) clashed for the third day as rebel forces continue to harass soldiers stationed in the province of Maguindanao. The Joint Operations Center of the Armed Forces of the Philippines (AFP) reported that a third encounter between Islamic extremists and the government occurred last Sunday [3 March] resulting in the wounding of two soldiers. The firefight which lasted for almost two hours happened late Sunday night as elements of the 6th Scout Ranger Command at Wato Hill, Brgy. [Barangay — village, in Tagalog] Masulot and elements of the 25th Infantry Battalion stationed in the area were "harassed" by MILF troops.

Wounded were 2 Lieutenant Renato Narag and Pfc. Rey Torrendon, both from the Philippine Army. It is still unknown whether the MILF suffered any casualties. This has been the third consecutive day the MILF forces have been harassing government troops. Previously,

elements of the 25th Infantry Battalion encountered the MILF rebels but had to rely on the help of their armored vehicles and helicopters to effectively repulse the enemies.

Thailand

Thailand: Deputy Prime Minister Given ASEM Follow-Up Job

*BK0603044296 Bangkok THAILAND TIMES
in English 6 Mar 96 p A2*

[Unattributed Report]

[FBIS Transcribed Text] Bangkok — Prime Minister Banhan announced yesterday that Deputy Prime Minister Amnuai Wirawan will be responsible for following up on the first Asia-Europe Meeting's [ASEM] achievements.

The first meeting of the Asia-Europe Business Forum, which was one of the ideas to come out of ASEM, will be held in France in November, and the next one in Bangkok, the premier said, after a Cabinet meeting yesterday.

Banhan also assigned Amnuai to push forward the Asia-Europe Investment Plan so it can be ready in six months, and to take responsibility for the proposed Thai Environment and Technology Development Center.

The first post-ASEM get-together of finance ministers will be in Japan next year.

The meeting's resolutions will be tabled in a minor conference before being presented to the next ASEM in Britain in 1998, the prime minister said.

In the meantime, a source from the Bank of Thailand (BOT) told "Thailand Times" yesterday the central bank will join forces with the Thai private sector with regards to the working out of a financial cooperation plan between Asian and European countries.

"The matter will not only be discussed during this year's meeting of the World Trade Organization (WTO) in Singapore, but also in the next ASEM meeting in UK," the source stated.

The central bank has already held discussions on financial cooperation with certain European central banks, such as Germany's Bundesbank and the Bank of England.

Thirachai Phuwanatnaranupha, director of the central bank's Financial Institutions Supervision and Development Department, has been appointed by BOT governor Wichit Suphinit to take care of all issues involved with the WTO.

The central bank will also carry out a study into the impact of European capital inflows on the Thai economy, the source concluded.

Thailand: Impact of Australian Election on Asian Ties Viewed

BK0503054996 Bangkok BANGKOK POST
in English 5 Mar 96 p 4

[Editorial: "Howard: Friend or Foe to Strong Asia Ties?"]

[FBIS Transcribed Text] Despite assurances from Australian prime minister-elect John Howard that he will continue the country's business push into Asia, Saturday's election result represents a mystery package for developing countries of the region, Thailand included.

Mr Howard's conservative coalition clobbered the ruling Labour Party which is likely to lose 33 seats in the 148 seat House of Representatives.

"It's just a fact of life that there is an immediacy and there's an opportunity about our relations with our region," Mr Howard told a press conference yesterday. "I intend to maintain the momentum begun long ago by prime ministers on both sides of the political fence."

The statement was consistent with promises made before the election. But it is not so consistent with a history of statements made during his Liberal Party's 13 years in opposition.

These include Mr Howard's own controversial remarks in the 1980s about Asian immigration to Australia, for which he has since apologised. He has also criticised Mr Keating's emphatic push into Asia, but now claims his past will not harm dealings in Asia and expects good relations with neighbouring leaders.

It is ironic that a major reason for Mr Howard's win was that he was keen not to make mistakes and promised to continue many of the policies of the previous government, unlike predecessor John Hewson who made a mull of the 1992 election by promising radical changes.

But it must be said that former prime minister Paul Keating was more sympathetic to Asia and considered APEC [Asia-Pacific Economic Cooperation] of utmost importance. Foreign minister designate Alexander Downer has discarded Australia's aim under Mr Keating to become a part of Asia but said stronger ties with Malaysia were a high priority.

In that sense, Mr Howard may be a breath of fresh air for the region. Mr Keating was often outspoken. He called Malaysian Prime Minister Mahathir Mohamed a recalcitrant after he failed to show at a leaders' meeting

in the US. He openly criticised Thai "individuals and groups" for supplying weapons to the Khmer Rouge. But it will also be interesting to see how Mr Howard deals with comments such as those by Singaporean leader Lee Kuan Yew, who branded Australia "the white trash of Asia" in front of a packed Australian media gathering.

Also of interest are some elected members of his party in Queensland who made racist comments just before the election, one calling naturalisation a "de-wogging ceremony" and another referring to "slanty-eyed ideologues".

Nevertheless, new economic policies could also offer Asians a breath of fresh air, with trade likely to be somewhat freer under already-promised macroeconomic reform. It is likely that while some protectionist policy will remain in place, the way will be opened for smaller trading partners such as Thailand to undertake more liberal business negotiations.

But Mr Downer, when asked to list priorities, clearly rated old friends in Europe, important ally the US, and Japan at the top. All are Australia's traditional trading markets.

What does it mean for Thailand and other emerging nations which Mr Keating considered so important? Will they be forgotten in Mr Howard's attempt to maintain the status quo, a sometimes worrying pitfall of any conservative government. Most likely not.

Mr Howard will tread carefully, but unless he has been sheltered through too many years in opposition, he must realise the critical importance of the emerging economic dynamo of Southeast Asia, particularly as other regions become more reliant on trade blocs under the changing face of globalisation.

It may take time before this region is given the same amount of priority as it was under Mr Keating and former foreign minister Gareth Evans. But for Australia's sake, it would be unwise to waste too much time to realise where its future prosperity lies. If time is allowed to lapse, others will seize the opportunities and Australia will be the only loser.

Thai Supreme Commander Confident of Burmese Border Reopening

BK0603043596 Bangkok THE NATION in English
6 Mar 96 p A2

[Unattributed Report]

[FBIS Transcribed Text] Supreme Commander Gen Wirot Saengsanit expressed confidence yesterday that Burma will reopen on March 16 its three border

crossings with Thailand, which have been closed since early last year after numerous disputes and conflicts between the two countries.

He said bilateral Thai-Burmese relations have gradually improved and the Burmese junta will probably resume construction of the Moei River bridge linking Thailand's Mae Sot with Burma's Myawadi township.

"Now, I can say that there will be a reopening of the three (Burmese) border checkpoints certainly on March 16.

Thai-Burmese relations have gradually improved, and after the opening of the frontier, there will also be progress in the construction of the Thai-Burmese bridge," stressed Wirot.

He also played down any effect the ongoing Burmese military offensive against ethnic Karenni guerrillas may have had on the Burmese reopening of the crossings at Tachilek, Myawadi and Victoria Point, or Kawthaung.

The supreme commander said he believed Defence Minister Gen Chawalit Yongchaiyut would be able to respond to any questions on Thailand's relations with Burma if the opposition raised the issue during the upcoming no-confidence debate in the Parliament.

Wirot said the opposition could not criticize the government because the Burmese junta had in fact shut down the three checkpoints during the previous Thai administration, and it is the current government which is working on their reopening.

"If the opposition wants to blame the current administration for the problems with Burma, I would like in return to mention that it was during the previous government that Burma shut down the frontier.

"Now that this government has managed to (negotiate) the reopening of the checkpoints, this is an achievement."

Thai Group Holds Talks With Burmese on Fishery Conflicts

*BK0603043196 Bangkok BANGKOK POST
in English 6 Mar 96 p 2*

[Unattributed Report]

[FBIS Transcribed Text] A Thai delegation met Burmese authorities on Monday to discuss fishery problems between the two countries at a hotel on Burma's Kawthaung Island.

The meeting is likely to lead to reopening of the Thai-Burmese border in Ranong Province.

The Thai delegation agreed to pay compensation for three Burmese crewmen killed on board a Thai fishing vessel in August last year.

The Thai delegates, led by Ranong Governor Sira Chawanawirat, were later invited to visit Kawthaung (Victoria Point) opposite Ranong.

The Thai-Burmese border in Ranong has been closed following the killing of the Burmese crewmen.

Baachong Wiphakkichanan, a fishermen's representative in the Thai delegation, said the Thai-Burmese situation is likely to return to normal soon.

Thailand: Farm Goods 'Counter Trade System' Set for Indonesia

*BK0503093996 Bangkok Radio Thailand Network
in English 0000 GMT 5 Mar 96*

[FBIS Transcribed Text] Thailand and Indonesia have agreed to buy agricultural products from each other under the counter trade system. The agreement was reached by Acting Minister of Agriculture and Cooperatives Suwit Khunkitti and Indonesian Coordinating Minister for Trade and Industry Hartarto, who has recently visited Thailand for the first Asia-Europe Meeting.

Both sides will draft a memorandum of understanding on their counter trade. Mr. Suwit will visit Indonesia later this month before submitting the memorandum to the cabinet for approval.

At present, Indonesia imports from Thailand 550,000 tons of rice, 100,000 tons of sugar, and 45,000 tons of tapioca. It also imports crop seeds and agricultural machinery from Thailand. Indonesia at the same time wants to sell more palm oil, aircraft, and wood products to Thailand.

Both sides have moved to explore their trade opportunities in agricultural commodities.

Thailand: Bank Governor 'Confident' of Slowing Economy

*BK0503063996 Bangkok BANGKOK POST
in English 5 Mar 96 p 17*

[Report by Parisata Yuthamanop]

[FBIS Transcribed Text] The Bank of Thailand is confident that the country's economy is cooling this year.

According to Governor Wichit Suphinit, Thailand's Gross National Product for the first two months this year is likely to go down, which is a positive sign that

it will be easier for the central bank to control inflation and the current account deficit.

He also pointed to other economic indicators such as the Industrial Productivity Index, the Private Investment Index, commercial bank credit growth and the Government's income all of which are on a downward trend.

However, he said import figures have been declining more slowly than other indicators.

However, external factors, including a more stable pattern of global economic growth, are helping to create a climate conducive to reducing overheating in Thailand, Mr Wichit said.

The exchange rates of the baht against the German mark and the Japanese yen are expected to be 5 percent stronger than last year. That means imports from Germany and Japan will be cheaper.

Mr Wichit said the country is still seeing some after-effects of last year's flooding, which increased inflationary pressure. The trade and current account deficits, he added were skewed by large Government military spending.

He said the central bank would be more diligent in monitoring short-term capital inflows, which normally comes to the Stock Exchange of Thailand and local financial institutions for short-term speculative investment.

The central bank has asked commercial banks to submit annual credit plans in an attempt to curb lending to some non-priority sectors.

It recently ordered banks to set aside 7 percent cash reserves for non-resident baht accounts. And the Finance Ministry has approved the Bank of Thailand's proposal to oblige finance companies and finance and securities companies to set aside 7 percent reserves for promissory notes.

Thirachai Phuwanatnaranupha, director of the financial institutions supervision and development department of the central bank, said he had received evidence that some local and foreign banks had exceeded their credit-extension limits. The central bank last year capped credit growth at 24 percent and wants to limit it to 21 percent this year.

Mr Thirachai said commercial banks will have to consider the national economic situation as one of their priorities in making future business decisions.

The central bank does not intend to battle inflation by controlling private sector investment, preferring instead to keep credit expansion at appropriate levels.

Banthit Nichathawon, director of the central bank's research department, said meanwhile that the 7.4 percent inflation rate figure was not alarming.

Vietnam

SRV Papers Back Cuban Downing of U.S. Airplanes

*BK0103131396 Hanoi Voice of Vietnam in English
1000 GMT 1 Mar 96*

[FBIS Transcribed Text] Under the title "Genuine Rights to Self Defense," the leading daily newspaper NHAN DAN and the Army paper QUAN DOI NHAN DAN on March 1 run commentaries reaffirming that the shooting down of two planes being flown by a reactionary organization involving Cuban exiles in the United States was genuine self-defense in line with international law to defend Cuba's territorial integrity and security. Following are excerpts from these two articles.

Both the NHAN DAN and QUAN DOI NHAN DAN pointed out that before the incident the Cuban Government has many times expressed its patience and warned the hostile forces to the Cuban revolution that they should not misunderstand Cuba's patience as weakness. As a result, the reactionaries paid dearly for their deliberated hostile reckless and irresponsible acts. Cuba was forced to take action to defend the right of a sovereign state. Cuba has undeniable proof of adventurous plans by the reactionaries who were flying the planes.

The commentaries also expressed concern over six unilateral measures announced by President Bill Clinton to tighten the embargo against Cuba. The papers said: The intrusion into Cuba's airspace of the two planes by Cuban reactionary exiles were well-planned acts with a view to winning support of hundreds of thousands of voters of Cuban origin living in Miami as the service of American bosses.

NHAN DAN said ultra-rightists and opportunists in the United States were making use of the incident to raise an anti-Cuba campaign and to halt the process of easing tension in the relationship between Cuba and the United States. It was also to justify the U.S. outmoded policy to blockade Cuba. Many countries hold that the February 24 incident was an intervention threatening the sovereignty of countries having different ideas than Washington.

The Army paper QUAN DOI NHAN DAN said: Together with progressive mankind, the Vietnamese people reaffirm their solidarity and support for the genuine acts of Cuba to defend its independence, sovereignty,

and security. The newspaper urged the U.S. Administration to end its hostile acts against Cuba.

SRV: Prime Minister Vo Van Kiet Attends ASEM

BK0303155396 Hanoi VNA in English
1510 GMT 3 Mar 96

[FBIS Transcribed Text] Hanoi VNA March 3 — "Vietnam is prepared to contribute to establishing new Asia-Europe cooperative ties, and achievements in the current renovation process have created opportunities for Vietnam to develop business, investment and cooperation," Prime Minister Vo Van Kiet said at the Asia-Europe Meeting (ASEM) held in Thailand from March 1-3.

At the meeting, Prime Minister Kiet laid stress on the promotion of cooperation among continents, especially in the problems of environmental pollution, drug abuse, and international crime, which, in the Vietnamese leader's words, require urgent solutions and can be solved by cooperation among small and big, rich and poor countries in the spirit of respect for national independence and sovereignty, non-interference into internal affairs, and mutual benefits.

Prime Minister Kiet also dealt with the need to create more opportunities for expansion of outlets for products by developing countries. He expressed his wish that Asia and Europe would further cooperate in preventing nuclear weapons, preventing violence and encouraging settlement of disputes by peace negotiations.

Before and during the meeting, Prime Minister Kiet met on separate occasions with the presidents or prime ministers of China, Italy, France, the United Kingdom, Germany, Ireland, and Malaysia. During these meetings, the leaders exchanged views on how to promote bilateral cooperative relations in many fields, especially economic cooperation. They expressed satisfaction at the development of bilateral relations in recent years.

The leaders of other countries highly valued the achievements recorded by Vietnam in renovation and foreign relations. They expressed their support to Vietnam in the development process and their wish for further promotion of bilateral cooperation in economics, trade, techniques, technology transfer, and so on. At the same time, they stressed the role, position, and capability of Vietnam in the Asia-Europe cooperation.

In reply, Prime Minister Kiet affirmed that Vietnam would be more active and quick in promoting and expanding bilateral cooperation as well as contributing to the Asia-Europe cooperation.

Speaking to the Vietnamese press in a brief interview right after the closing session, Mr Kiet said: "At ASEM, Vietnam's position, role, and capability were heightened

thanks to its success in the renovation and its economic achievements and the correct foreign policy charted by the party and state."

"Suffering innumerable difficulties, political isolation, economic blockade, under-developed level, Vietnam has kept its feet and grown. In the near future, challenges are big, therefore, we must with our internal efforts make the most use of favorable conditions and opportunities to expand cooperation for the construction and development of the country, shortening the distance and being well-matched with other countries," the prime minister concluded.

SRV Prime Minister Comments on Outcome of Asia-Europe Meeting

BK0403103896 Hanoi VNA in English
0644 GMT 4 Mar 96

[FBIS Transcribed Text] Hanoi VNA March 4 — Prime Minister [PM] Vo Van Kiet has said that Vietnam will strive hard to keep abreast with world developments to seize new opportunities arising from the Asia-Europe integration and cooperation process which began at the recently-concluded Asia-Europe Meeting (ASEM) in Bangkok.

The PM, who returned from ASEM yesterday, said in an interview with the Vietnamese mass media that by striving hard Vietnam will certainly surpass all difficulties and make full use of its advantages to advance forward, making it worthy of being described as a heroic nation by many countries in the world.

"There is nothing barring Vietnam from its efforts to spur on development, helping it to be free from poverty and narrow the gap between Vietnam and advanced countries," the PM said.

The PM also expressed his satisfaction at the outcome of ASEM held in Bangkok from March 1-3, which he described as direct talks between leaders of the two continents without any restrictions. During the summit, leaders spoke with each other in a candid, comfortable and constructive manner and also showed respect to each other, the PM said.

The summit did not refer to sensitive issues, but discussed pivotal and principal questions instead, with the aim of intensifying mutual understanding and exchanges of views between leaders of Asia and Europe.

Many influential statesmen, including the French president, the German chancellor and the Italian prime minister (also president of the EU) and others, said that there is now a basis for correct assessments of Vietnam's position. Vietnam can not only be seen on the basis of its

GDP growth but also its special geographical location and its population, PM Kiet said.

Many leaders spoke of Vietnam's very important position in Asia and Southeast Asia, and admired Vietnam, hoping it will advance forward with a new level.

"Vietnam always knows where it stands and the countless difficulties it will have to overcome," he added.

Foreign Minister Nguyen Manh Cam, who accompanied the prime minister to the summit, was also interviewed by Vietnamese mass media workers on his return from ASEM. The foreign minister highly appreciated the bilateral talks between Prime Minister Vo Van Kiet and other Asian and European leaders as well as between the Vietnamese foreign minister and his counterparts from a number of Asian and European countries, before and during the summit.

SRV: Nguyen Manh Cam on Results of Asia-Europe Meeting

BK0303110496 Hanoi Voice of Vietnam in English
1000 GMT 3 Mar 96

[FBIS Transcribed Text] The Vietnamese delegation to the Asia-Europe Meeting led by Prime Minister Vo Van Kiet returned to Hanoi on Sunday, 3 March. In an interview to our radio reporter on the Asia-Europe Meeting, Foreign Minister Nguyen Manh Cam, a member of the delegation said that the meeting laid foundation for long-term cooperation between the two important regions. This cooperation will contribute to the world development.

Speaking about the role of Vietnam at the Asia-Europe Meeting, Mr. Cam said: Many countries highly valued Vietnam's role. They also mentioned Vietnam's achievements in renovation process and said the open door foreign policy of Vietnam is in conformity with the current trend.

In their contact with Vietnamese prime minister, heads of states of many countries have expressed the wish to promote their relations with Vietnam.

SRV Official Details Stance on Repatriation Program

BK0103160396 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 1 Mar 96

[FBIS Translated Text] On the occasion of the upcoming seventh conference of the Executive Board of the Comprehensive Program of Action, or CPA, to be held in Geneva 5-6 March, many domestic and international correspondents have asked about Vietnam's stance on the suggestion that those who are repatriated should be interviewed for resettlement.

Assistant Foreign Minister Bui Hong Phuc, head of the Vietnamese contingent to the conference, gave the following answer:

1. Within the framework of the implementation of the CPA on the repatriation of Indochinese people who have been categorized as nonrefugees, Vietnam pledges to fulfill its commitments as determined by the announcements of Executive Boards 5 and 6 of the CPA program. In accordance with its humane policy, the Vietnamese Government always aims to create favorable conditions for Vietnamese repatriated from refugee camps to resettle in another country if they meet the criteria to depart Vietnam and if they are accepted by the country they want to resettle in. In past years, thousands of people have been interviewed by the U.S. side, and over 500 people have departed for resettlement in the United States.

2. Regarding those who will be repatriated from Southeast Asia and Hong Kong, Vietnam will create the conditions for them, once they return to Vietnam, to be interviewed in Vietnam and to be issued with exit permits if they are accepted by the resettlement country, provided they meet the criteria to depart Vietnam and to migrate to another country.

SRV, Thailand Discuss Drug Control Cooperation

BK0503034796 Hanoi VNA in English
1510 GMT 4 Mar 96

[FBIS Transcribed Text] Hanoi VNA March 4 — Vietnam and Thailand have discussed bilateral cooperation in drug prevention and control as well as preparations for the 19th meeting of ASEAN senior officials on drug scheduled to be held in Hanoi in mid-September this year.

The discussions were held in Hanoi this afternoon between Hoang Duc Nghi, chairman of the Vietnam National Programme for Drug Prevention and Control and Mr. Prija Champaratra, general secretary of the Office of Narcotic Control Board (ONCB), who is now on a working visit to Vietnam.

SRV General Secretary Do Muoi Receives Polish Senators

BK0203101796 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 1 Mar 96

[FBIS Translated Text] A Polish senatorial delegation led by His Excellency Chairman Adam Struzik — which is now on a visit to Vietnam — paid a courtesy call on party General Secretary Do Muoi yesterday afternoon.

The chairman expressed Poland's desire to step up economic, trade, cultural, scientific, and technological co-

operation with Vietnam, particularly in such areas as shipbuilding, energy, chemicals, machinery, communications and transportation.

He congratulated Vietnam on the results of its renovation process and expressed his belief that the upcoming congress of the Communist Party of Vietnam will contribute to promoting rapid national economic and social development and to making Vietnam prosperous and its people happy.

General Secretary Do Muoi sincerely thanked the Polish people for having reserved their solidarity for and given strong support and valuable assistance to the Vietnamese people's cause of national liberation, construction, and defense.

The general secretary briefed the delegation on the situation in Vietnam and affirmed the desire of the party, state, and people of Vietnam to constantly maintain, consolidate, and develop relations with their former friendly countries. He expressed the hope that in the new situation, the two sides would join each other in finding suitable measures to promote cooperation in areas where both sides have requirements and where they are capable and strong.

SRV Leaders Receive Delegation from Polish Senate
BK0103162396 Hanoi VNA in English
 1528 GMT 1 Mar 96

[FBIS Transcribed Text] Hanoi VNA March 1 — Party General Secretary Do Muoi and State President Le Duc Anh received today on separate occasions the visiting delegation from the Polish Senate headed by Speaker Adam Struzik, who arrived here on Feb. 29 for a working visit.

The visit is aimed at restoring and laying a new foundation for the further development of the traditional relationship between the two [words indistinct] Vietnam and Poland.

Welcoming the Polish guests, the party leader welcomed their visit as an event marking a new step in the development of relations between the two peoples who have enjoyed their fine friendship and cooperation for decades now.

After speaking of Vietnam's socio-economic situation, party General Secretary Muoi reiterated the desire of the Vietnamese party, state and people to constantly maintain, consolidate and develop relationship with its old fraternal countries. He said he hoped that Poland and Vietnam would map out suitable measures to promote their bilateral cooperation commensurate with each country's potential.

Expressing his pleasure at the socio-economic achievements recorded by the Polish people, President Le Duc Anh highlighted the two countries' traditional relations which he hoped would serve as a good groundwork for the promotion of the bilateral cooperation and friendship.

'The Vietnamese people are always grateful to Poland for its assistance and support to their former struggle for national liberation and current reconstruction, as well as for the favourable conditions created by Poland to help the Vietnamese community studying and working in Poland', the Vietnamese president told speaker Adam Struzik this morning.

He affirmed that Vietnam, in its capacity as a member of ASEAN is ready to support Poland to broaden its multilateral relations with other countries in the region.

Attaching great importance to the time-honoured friendship between the two countries, Mr Adam Struzik expressed his country desire to maintain and develop relations between the Vietnamese and Polish legislative bodies as well as consolidate and promote the bilateral friendly and cooperative ties.

The Polish businessmen are interested in industries such as ship-building, national defence, power, chemistry, fishery and aquatic food processing in Vietnam, Mr Adam Struzik said, adding that the Polish Government would provide credit to their investment projects here.

SRV: Nguyen Manh Cam, Luxembourg
Counterpart Discuss Cooperation

BK0503034496 Hanoi VNA in English
 1521 GMT 4 Mar 96

[FBIS Transcribed Text] Hanoi VNA March 4 — Vietnamese Foreign Minister Nguyen Manh Cam and his Luxembourg counterpart Jacques Poos have agreed to broaden cooperation between the two countries in the areas where Luxembourg has strength and Vietnam needs such as metallurgy, telecommunications, banking, tourism, health, transport and communication, infrastructure and others.

During the talks which proceeded here today between the two ministers, Mr Cam briefed his guest on Vietnam's important achievements in the renovation process over the past ten years and reiterated that Vietnam will continue to carry out the renovation policy with its aim of making successful the national industrialisation and modernisation process as well as get it further involved in the regional and inter-regional integration and cooperation process.

Minister Jacques Poos expressed his pleasure at Vietnam's successes in national construction and develop-

ment in the past decade and highly appreciated its participation in the regional integration.

He said 'with its open-door policy, Vietnam has contributed to peace, stability and cooperation for development in the region in particular, and between ASEAN and the EU in general.'

He announced that the Government of Luxembourg has decided to name Vietnam as one of Luxembourg's beneficiaries of Official Development Aid (ODA). Luxembourg is prepared to boost cooperation with Vietnam in personnel training and other sectors and will consider its non-refundable aid to Vietnam, especially the poverty-stricken regions.

This evening, Ministers Nguyen Manh Cam and Jacques Poos, on behalf of the two governments, signed four protocols on the implementation of feasibility studies for building a special steel plant in Vietnam, upgrading Son My Hospital in Quang Ngai Province, central Vietnam, training hotel employees and building an artificial limbs production workshop.

The same day, Trade Minister Ho Te and Foreign Minister Jacques Poos signed an agreement on double taxation avoidance and tax evasion prevention between Vietnam and Luxembourg.

The signing was followed by a state dinner hosted by Foreign Minister Nguyen Manh Cam in honour of his Luxembourg counterpart, Mr Jacques Poos and his entourage.

SRV: Ninth Session of Ninth National Assembly Previewed

BK0203102296 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 1 Mar 96

[FBIS Translated Text] The ninth session of the Ninth National Assembly will solemnly start at the Ba Dinh Conference Hall in Hanoi today, 2 March 1996.

In its ninth session, the National Assembly will concentrate on discussing and passing a number of pieces of legislation aimed at institutionalizing the party's renovation line and standpoint and continuing to further perfect the legal system for the cause of national construction and management. These include the law on the national budget, the law on mineral resources, and the law on cooperatives.

The National Assembly will also examine government supplementary reports on the situation in 1995, necessary measures for the implementation of 1996 tasks, and some other important reports.

In order to obtain enough information to serve efforts to examine and decide on the important issues to be

discussed at the session, National Assembly deputies have studied and discussed the drafts of laws and reports in advance. They have also organized many meetings with voters to hear the opinions and aspirations of the people.

The National Assembly Standing Committee and other organs of the National Assembly have coordinated closely with the government and other relevant agencies in making satisfactory preparations for the session.

Yesterday morning, 1 March 1996, all National Assembly deputy groups met to exchange views on the session's agenda and program. In the afternoon, the National Assembly held a preparatory meeting in the Conference Hall to pass the session's agenda and program.

You are invited to listen to a detailed report on the opening of the ninth session of the Ninth National Assembly to be broadcast by Radio Voice of Vietnam in today's 1800 [0600 GMT] hour newscast.

SRV National Assembly's Ninth Session Opens 2 Mar

BK0203104796 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 2 Mar 96

[FBIS Translated Text] The Ninth National Assembly's ninth session solemnly opened at the Ba Dinh Conference Hall in Hanoi this morning.

Attending the opening session were Comrade General Secretary Do Muoi, Party Advisers Pham Van Dong and Vo Chi Cong, State President Le Duc Anh, and National Assembly Chairman Nong Duc Manh. Also in attendance were some former members of the First National Assembly. Also present, it should be noted, was a Polish Senate delegation headed by Adam Struzik, now on an official friendship visit to Vietnam.

Before attending the session, the National Assembly deputies paid a tribute to President Ho Chi Minh at his mausoleum.

After National Assembly Chairman Nong Duc Manh delivered a speech to open the Ninth National Assembly's ninth session, Deputy Prime Minister presented a government supplementary report on the implementation of tasks in 1995 and the deployment of tasks for 1996.

As for the implementation of the 1995 tasks and plan, the government supplementary report reveals that compared with the estimated statistics in a report presented to the National Assembly in early October 1995, the results of the implementation of the 1995 annual plan remain unchanged, except for the integrated statistics, which reflect the economic growth rate compared with that for 1994. For instance, GDP increased 9.5 percent;

industrial production, 14 percent; agricultural production, 4.7 percent; and services, 12.6 percent. The export value reached \$5.3 billion while the import value was put at \$7.5 billion.

Regarding the socioeconomic situation over the first two months of 1996, the government report pointed out that production continued to grow, that market prices were more stable than in previous years, and that the reestablishment of public order and security continued to be strengthened and broadened.

With regard to the guidelines for the implementation of the 1996 tasks, the government report cited the following five major issues to be examined by the National Assembly so it can give its views:

1. Efforts must be made to implement a budget revenue and expenditure plan, which calls for a 22.7 percent increase over 1995. Concerning budgetary expenditures, priority must be given to ensuring funding for a capital construction plan.
2. Inflation must continue to be contained and efforts must be made to keep the 1996 inflation rate lower than that of 1995.
3. The latent potential of the whole society and the results of the development investment must be improved and exploited
4. The cultural and social structure must be renovated, creating new development; and finally
5. The program for administrative reform must be effectively undertaken.

Following the presentation of the government report, Ly Tai Luan, head of the National Assembly's Planning and Budget Committee, reported on the implementation of the economic and budgetary tasks in 1995 and on the measures to be adopted to deploy the 1996 economic and budgetary tasks as outlined in the government supplementary report; Dang Vu Chu, minister of industry delivered a report on behalf of the government on the draft law on mineral ores; and the head of the National Assembly's Science, Technology, and Environment Committee read an investigative report on the draft law on mineral ores.

In the 1800 [0600 GMT] newscast, the Radio Voice of Vietnam correspondent will provide a detailed report on the substance of the opening session of the Ninth National Assembly's ninth session.

SRV National Assembly Office Issues Communiqué No. 01

BK0203155996 Hanoi Voice of Vietnam Network
in Vietnamese 1430 GMT 2 Mar 96

[FBIS Translated Text] The National Assembly Standing Committee issues Communiqué No. 01, as follows:

This morning at the Ba Dinh Conference Hall in Hanoi, the ninth session of the Ninth National Assembly solemnly commenced. Before the session, National Assembly deputies laid a wreath of flowers and paid tribute to the mausoleum of President Ho Chi Minh.

Present at the opening session were Comrade Party General Secretary Do Muoi, party Advisers Pham Van Dong and Vo Chi Cong, President Le Duc Anh, National Assembly Chairman Nong Duc Manh, many high ranking leaders of the party and state, and a number of veteran cadres. Also attending were a number of former representatives of the First National Assembly.

There were also many guests from diplomatic missions, representatives of international organizations in Hanoi, and representatives of international and domestic news agencies.

At 0830 [Hanoi time] sharp, the military band played the national anthem, and National Assembly Chairman Nong Duc Manh delivered his opening speech. The National Assembly heard the report of Deputy Prime Minister Phan Van Khai: Developing an impetus for new progress and implementing successfully the 1996 tasks in accordance with the National Assembly's resolution.

Ly Tai Luan, chairman of National Assembly's Economics and Budget Committee, read the report: Opinions on a supplementary evaluation of situation in 1995, and measures to realize the 1996 economic and budgetary tasks.

Industry Minister Dang Vu Chu, on behalf of the government, delivered a report to the National Assembly on the draft law on mineral resources. Vu Dinh Cu, chairman of National Assembly's Science, Technology, and Environment Committee, read the investigatory report on the draft law on mineral resources.

Do Quoc Sam, minister of planning and investment, on behalf of the government, read a report on the draft law on cooperatives. Ly Tai Luan, chairman of National Assembly's Economics and Budget Committee, read an investigatory report of the Economics and Budget Committee on the draft law on cooperatives.

In the time remaining in the afternoon, National Assembly deputies in groups discussed the draft law on mineral resources.

On Monday 4 March, in the morning the National Assembly will discuss in groups the draft law on cooperatives, and in the afternoon the National Assembly will meet in the conference hall to discuss the draft law on mineral resources.

SRV: Assembly Deputies Debate Bill on Mineral Resources

BK0503155896 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 5 Mar 96

[Report by unidentified correspondent on 5 March session of Ninth National Assembly in Hanoi]

[FBIS Translated Text] The deputies of the ninth session of the Ninth National Assembly today continued their debate on the draft bill on mineral resources and the draft bill on cooperatives at the Conference Hall. At the conclusion of the debate on the draft bill on mineral resources, National Assembly Vice Chairman Phung Van Tuu said that there had been 22 statements made by deputies of 21 provinces and cities to contribute to the draft bill. The statements concentrated on five concerning issues. They are:

[Begin Phung Van Tuu recording] The first issue emphasizes the protection of our national interests in mineral resources. Our nation has many types of minerals but they are not large reserves. Therefore, we have to use them reasonably, economically, and efficiently. In assessing the content of the draft bill, the deputies wanted it to be rewritten more clearly, as we have not done that.

The second issue is on exploitation. We have carried out all the exploitation ourselves. Now, we also need foreign investment and high technology. However, we must clearly cite in the law that there are some areas we will take on ourselves when we invite foreign investment. We encourage foreign investors but there are jobs we can take on ourselves. Therefore, we have to try our best. We also have to limit the export of raw materials. We need measures to enhance the value of our mineral ores, process them, and broaden the mineral exploitation industry. The draft bill also refers to these issues but not very clearly. Another issue addressed by many deputies is the interest of each locality and local people. The interest of local people is not merely the effect it has on the environment. We must pay compensation. Another issue concerns the local infrastructure, and how we restore the local environment after exploitation ends. The other issues refer to the use local labor, cadre training, and professional training for local people and technicians. The local people must also be informed about poisonous substances so that they can avoid them.

The deputies have contributed many views on the issue of local interest.

The third issue concerns small-sized exploitation. It is possible to say that everyone agreed we should not consider the small-scale exploitation of mineral resources as an important step for national development. Nevertheless, small-scale exploitation is very necessary for us, though it is not very well organized at present. We still have different views on how to define small-scale exploitation. Should we include these issues in chapter six or leave them in a separate chapter so that we can refer to them in a more complete manner. We will seek more views on this issue.

The fourth issue regards state management. It has been cited that state management should rest with the government, with the industry ministry, and other ministries. But, what is the relationship between the Industry Ministry with other ministries? Where does the main responsibility lie? The deputies want more clarification on this issue.

Another issue is violations. We need to rewrite the draft bill so that it is clearly understood how violations are dealt with, such as when an administrative measure is to be applied — such as the revocation of an exploitation permit — and when we have to seek legal proceedings. We need to rewrite this in accordance with other laws. [end recording]

National Assembly Vice Chairman Phung Van Tuu also suggested the Legislative Compilation Committee and the National Assembly Committee on Technology and Environment revise and supplement the bill on mineral resources so that it can be passed at this session.

Regarding the bill on cooperatives, the deputies held that the promulgation of the law on cooperatives is necessary and that it meets the demand to stimulate production. The name, the law on cooperatives, is appropriate. However, there are different types of cooperatives in our nation. Therefore, the law needs to clearly state the general regulations for all types of cooperatives and separate regulations for each one. A deputy suggested that regulations on agriculture cooperatives be stipulated in a separate chapter and that the law should not limit the maximum amount of capital contributed by cooperative members. Some deputies proposed that the cooperative inspectorate check and evaluate the total asset of a cooperative annually and that the law state that a cooperative member is entitled to a reward if he offers ideas that results in high production.

As regards to the election of the cooperative management board and cooperative chairman, the deputies

agreed that the cooperative management board and cooperative be elected directly in the conference of all members.

National Assembly deputies will continue their debate on the bill on cooperative in the Conference Hall tomorrow, 6 March.

SRV: Do Muoi Encourages Light Industry Development

*BK0203063996 Hanoi VNA in English
1237 GMT 1 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 1.— Communist Party General Secretary Do Muoi has encouraged all efforts to boost development of light industries to produce more consumer and export goods in both rural and urban areas.

The party leader said 'In addition to industrialisation in agriculture, attention should be accorded to developing light industries to turn out a wide variety of commodities for domestic consumption and export in both rural and urban regions.'

Do Muoi has made fact-finding tours of 14 cities and provinces in the central coast, lowland and midland northern areas in preparation for party congresses at the provincial level due to take place before the national party congress scheduled for the second quarter of this year.

The party chief again underlined the process of industrialisation and modernisation as the main theme for all discussions and debates at the party congresses at all levels. He further said :

'Based on the need for industrialisation and modernisation, all cities and provinces will work together with relevant ministries and government offices for both short-term and long-term plans to develop urban and rural infrastructure facilities conforming to each stage of this process.'

On the production relationship, Do Muoi stressed 'Priorities must be given to both state-owned and collective-run economic development in industry, agriculture, trade and services. It is also needed to reinforce the links between industry and agriculture, and between urban and rural regions. The role of state-owned businesses particularly must be brought into full play in each locality.'

Having been briefed on the local socio-economic development plans for the 1996-2000 period aiming for a rise of more than 10 percent in economic growth for all these 14 provinces and cities, do muoi pointed out

the potential possessed by each province or city in both natural and human resources.

All these resources should be fully tapped for immense economic development as well as for successful industrialisation and modernisation, the party leader highlighted.

SRV: Do Muoi on Importance of Work of Social Scientists

*BK0203155696 Hanoi VNA in English
1231 GMT 2 Mar 96*

[FBIS Transcribed Text] Hanoi VNA March 2 — Communist Party leader Do Muoi has instructed Vietnamese social scientists and humanity researchers to well perform their most pivotal task to study and provide scientific grounds for the party and government to make policies.

Mr. Do Muoi is reported to have attended and addressed the party congress of the national centre for social sciences and humanities held in Hanoi on Feb. 29 and March 1 in preparation for the coming eighth national party congress.

In his address, the party leader also urged the centre to attach much importance to the study and summing-up of experiences learned from the ten-year period of renovation as well as to the reference of experiences from other countries in economic reforms with the aim of accelerating the renovation process initiated by the Communist Party of Vietnam in line with the socialist orientation.

He further said that social and humanity scientists must centralize efforts to study and enhance all values of Vietnam's culture and civilization as well as its historical, cultural and social tradition, which are invaluable cultural and mental heritages handed down from one generation to another.

More attention should be given to the research of Vietnamese people's culture and soul as well as their characters and identity. Culture is a mental foundation for a society, a domestic factor of important significance for each country and nation a driving for important force to spur socio-economic development and also a target of socialism, Do Muoi said.

Having applauded the successes made by the centre in recent years, the party chief highlighted the significant achievements in the renovation process which, he said, has brought the country out of a serious socio-economic crisis and has also paved the way for the country to shift over to a new stage of development: industrialisation and modernisation.

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Referring to the overall target of this new stage, Do Muoi said while firm grasp of two strategic tasks of socialist construction and national defence, from now to the year 2020, efforts will be made to turn Vietnam into an industrialized country with modern material and technical foundations, proper economic structure, progressive production relationship suitable to the level of productive force development, high material and spiritual life, strong defence and security wealthy people, strong country and equitable and civilized society.

SRV Party Leaders Greet Pham Van Dong's 90th Birthday

BK0203101696 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 2 Mar 96

[FBIS Translated Text] Yesterday [1 March] at the office of the Party Central Committee [PCC], the PCC Political Bureau and the PCC Secretariat held a function to greet the 90th birthday of party adviser Pham Van Dong.

In the warm atmosphere of spring, Comrade Party General Secretary Do Muoi solemnly read his wish for a long life: Today we are extremely happy to gather here to wish our our beloved Brother To [Anh Too] a long life. Brother To is one of the veteran revolutionaries of our party; an excellent pupil of our great Uncle Ho; a staunch follower of Marxism, Leninism, and Ho Chi Minh thought; an outstanding leader of our state; and an international activist with very high prestige. He is a noble model of a communist, who has sacrificed all his life for the country and the people. On behalf of the PCC, the National Assembly, the government, and the Vietnam Fatherland Front, I would like to wish our beloved Brother To good health and a long life of a hundred years, and hope that you will continue to help all party and all people to make the renovation undertaking a success.

Moved by the noble sentiments of the comrades in the PCC Political Bureau and the PCC Secretariat, Comrade Pham Van Dong heartily expressed his thanks, viewing the wishes as the sort of splendid encouragement that fit his philosophy about life: The point is not how long you live but what you live for, whether it is for your country, your people, for today and tomorrow, and for

the cause of revolution in our country as well as in the world.

He trusted that the PCC Political Bureau would fulfill its tasks in the most effective way during its current term of office and would prepare effectively for the following terms, for the sake of the great undertaking of our party and people.

SRV: Hanoi Holds Ceremony To Mark Dong Da Victory

BK0103105696 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 23 Feb 96

[FBIS Translated Text] Amid the jubilant atmosphere of the Lunar New Year, the Hanoi's Dong Da Ward People's Committee on 23 February held a solemn ceremony at the Dong Da Cultural Park to commemorate the 207th Ngoc Hoi-Dong Da Victory. Attending the function were representatives of ministries, branches, and sectors at the central level and in Hanoi; representatives of Bac Thai, Nam Ha, Hoa Binh, Haiphong, and Quang Ninh Provinces; and more than 2,000 persons representing various people's strata of Hanoi.

Addressing the ceremony, Comrade Ngo Quang Phu, Dong Da Ward people's committee chairman recalled the tradition and brilliant feat of arms of national hero Nguyen Hue at the Ngoc Hoi-Dong Da Battle in the Ky Dau Spring [Year of the Rooster] of 1789. The victory has been included in our nation's history as an immortal epic that built and protected the Vietnamese nation.

After reviewing our nation's traditional heroism, the Dong Da Ward People's Committee Chairman said that the socioeconomic situation of Dong Da Ward and that of Hanoi and the nation, has recorded encouraging achievements during the past year. The party committee and people of Dong Da Ward have launched a campaign to record new achievements to welcome the upcoming Eighth National Party Congress, the 12th Hanoi party organization congress, and the 23d Dong Da Ward party organization congress. Afterward, various delegates and representatives of the Hanoi people's strata performed an incense offering to worship national hero Nguyen Hue and participated in various sport and cultural activities to mark the anniversary.

Australia

Australia: Howard Outlines Policy for Successful Government

BK0703121496 Melbourne Radio Australia in English 0630 GMT 7 Mar 96

[From the "Pacific Beat" program]

[FBIS Transcribed Text] Members of Australia's incoming coalition government have met for the first time in Parliament House in Canberra. The meeting of about 70 members and senators of the coalition's major partner, the Liberal Party, formally confirmed John Howard as their leader. Mr. Howard told his colleagues they should temper jubilation of their record election victory with the realization that arrogance in office could be their downfall, as he said it had been for the Labor Party government under Prime Minister Paul Keating.

Our national affairs correspondent Stewart Heather reports:

[Begin recording] [Heather] A buoyant and rowdy crowd of Liberal parliamentarians squeezed into the government party room, jubilant at the end of their 13 years in opposition. Then the man who had led them to this resounding victory was received with appropriate acclaim.

[Unidentified speaker] Members and Senators, the Prime Minister-elect John Howard. [loud applause]

[Howard] Thank you. Thank you very much. Well, can I say to all of you that it has been a very long march. I am not borrowing the phrases of Chinese Communists [laughter], but it has been an incredibly long march. Just imagine [words indistinct] if the result had gone the other way, but it is an absolutely exhilarating experience—the most exhilarating experience in my political life—to look around this room and to know we are all Liberals.

[Heather] One of the messages John Howard and the coalition had campaigned on for the federal election was that the Keating government had been arrogant and out of touch with the ordinary people. So, amid the celebrations, Mr. Howard had this warning for his colleagues about their victory.

[Howard] One of the principle reasons why we achieved it was because our opponents lost the trust of the Australian people, and they also displayed a great deal of arrogance. And, if we are to be a successful government, we must make certain three things above all else; that is, that we keep faith with the people, that we do what we said we were going to do, and also that we don't take the Australian people for granted.

[Heather] Among Mr. Howard's colleagues, many tasting election victory for the first time, humility is perhaps not the predominant feeling, and why should it be? With the large size of the coalition's majority, the broad expectation in Canberra is that Mr. Howard's government seemingly has a buffer sufficient for two terms in office. And Mr. Howard seems to think so too, as he told his colleagues that this would be an incisive government, fulfilling the election campaign theme of: "For All of Us."

[Howard] [Words indistinct] on the basis of dispensing favors to those who supported us and punishing those who opposed us. That is the attitude of the Labor Party, and it is an attitude that many of us have come to despise over the past 13 years and many Australians have come to despise over the past 13 years. And if we approach our task in that frame of mind and with that disposition, we can't govern and lead this country into the next millennium.

[Heather] John Howard did not reckon who will become government ministers. He has publicly assured the deputy prime minister's job to Tim Fischer, the leader of the minor coalition partner, the National Party. It's not so clear that Mr. Fischer will be trade minister as he has wished, as this would provide protocol difficulties with other senior government ministers in the superior foreign affairs portfolio. And whether the former opposition leader, Alexander Downer, will be foreign minister is far from certain. The government leader in the senate, Robert Hill, has long aimed for that job.

On the other hand, some appointments are assured, including Deputy Liberal leader Peter Costello as the treasurer. The first Howard minister should be announced within days, and the new prime minister will be officially sworn into office by the Governor General next Monday. [end recording]

New Zealand

New Zealand Prime Minister Voices Concern Over PRC-Taiwan Tensions

BK0703040396 Hong Kong AFP in English 0344 GMT 7 Mar 96

[FBIS Transcribed Excerpt] Wellington, March 7 (AFP) — Prime Minister Jim Bolger Thursday urged Taiwan and China to draw back "from their present confrontational stance."

In a statement he said New Zealand was concerned at the escalation of tensions following China's announcement earlier this week that it would carry out missile

test firings into target zones close to Taiwan's two main ports.

Earlier in the day visiting US Assistant Secretary of Defense Ted Warner said here Taiwan will be better served if it stays short of full independence.

Bolger said the situation in the Strait was a cause for concern because of the threat to peace and stability in the region.

"The kind of pressure that China is exerting on Taiwan risks upsetting the very positive trends we have seen in the Asia-Pacific in recent years."

Everybody had benefited in recent years, including China and Taiwan.

"It would be very damaging to us all if suspicion, hostility and confrontation displaced the merging pattern of shared aspirations and common action," Bolger said.

"Restoring momentum to the process of establishing dialogue across the Taiwan Strait is an urgent need.

"New Zealand hopes that the two sides will draw back from their present confrontational stance and resume efforts to resolve their differences peacefully," he said.

Warner is here for talks with government officials on the warming relationship between Washington and Wellington 11 years after New Zealand banned visits by nuclear warships. [passage omitted on U.S. official's comments]